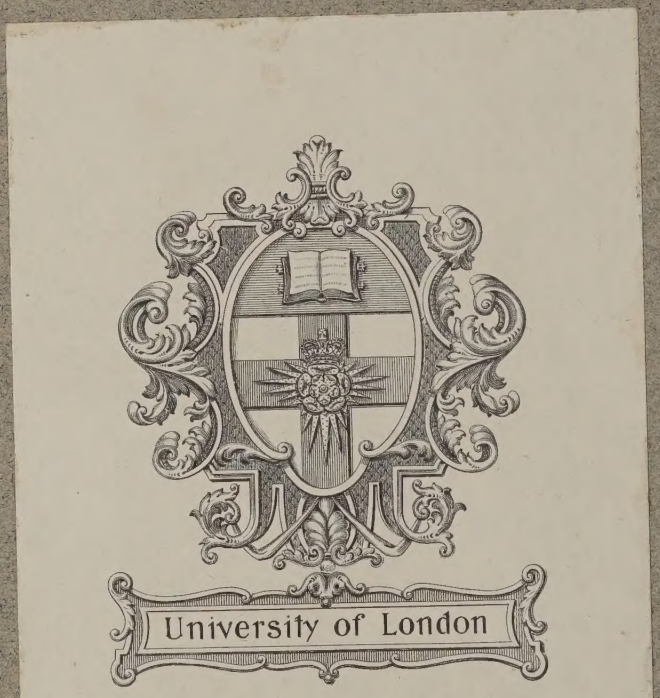
University of London

606255

REPORTS

FROM

COMMITTEES:

SEVEN VOLUMES.

— *(6.)* —

PUBLIC ACCOUNTS; RAILWAY COMPANIES;
STEAM BOILER EXPLOSIONS;
TELEGRAPH ACTS EXTENSION; TRAMWAYS BILL.

Session
8 *February* —— 10 *August* 1870.

VOL. X.

1870.

FIRST

REPORT

FROM THE

COMMITTEE

OF

PUBLIC ACCOUNTS;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

MINUTES OF EVIDENCE,

AND APPENDIX.

Ordered, by The House of Commons, *to be Printed,*
22 *June* 1870.

301.

Monday, 28*th March* 1870.

PUBLIC ACCOUNTS.—Standing Order of the House [3rd April 1862] relative to the Committee of Public Accounts read, and amended, by leaving out the word "Nine" and inserting the word "Eleven," instead thereof—(Mr. *Stansfeld*).

Committee of Public Accounts nominated:—

Mr. Stansfeld.
Mr. Pollard-Urquhart.
Mr. Sclater-Booth.
Lord Frederick Cavendish.
Mr. Seely.
Mr. Liddell.
Mr. Algernon Egerton.
Mr. William Fowler.
Mr. Goldney.
Mr. Candlish.
Mr. Ward Hunt.

Wednesday, 22*nd June* 1870.

Ordered, THAT the Committee have power to report their Observations, together with the Minutes of Evidence taken before them, from time to time to The House.

REPORT - - - - - - - - - - - - p. iii
PROCEEDINGS OF THE COMMITTEE - - - - - p. viii
MINUTES OF EVIDENCE - - - - - - - - p. 1
APPENDIX - - - - - - - - - - - - p. 117

FIRST REPORT.

THE COMMITTEE of PUBLIC ACCOUNTS have made Progress in the Matters to them referred, and have agreed to the following FIRST REPORT:

1. YOUR Committee, having concluded the examination of the Appropriation Accounts of the sums granted by Parliament for the Civil Services and the Revenue Departments, for the year ending 31st March 1869, together with the Reports of the Comptroller and Auditor General thereon, are enabled to state, that in the case of every grant for such services an Appropriation Account has been rendered and reported upon; the account of Vote 31, Class I., which had through apparently unavoidable circumstances been sent in too late to be reported upon in the regular course, having since been made the subject of a Report.

2. The year 1868-69 being the first year in which the requirements of "The Exchequer and Audit Departments Act, 1866," have in this respect been entirely complied with, may be considered as marking the commencement of a new era in our financial history.

3. Your Committee, having had under consideration the form of accounts prescribed by the Treasury, are of opinion that the terms "Savings," and "Deficiencies," standing respectively at the head of the 4th and 5th columns of the account, are liable to be misunderstood, and that more appropriate phraseology may be employed in other parts of such form, and they recommend that the form of account given in the schedule which has been prepared at their instance be adopted in future.

4. They observe, that in several instances sums have been brought to charge in the year under consideration which should legitimately have come in course of payment during the preceding year; as, for example, in the following accounts, viz.:

Class I - - - -	Vote 9.
Class II - - - -	„ 10.
	„ 14.
	„ 40.
Class III - - - -	„ 20.
	„ 23.
Class IV - - - -	„ 3.

and they hope that, the attention of the departments having been drawn to the matter, these irregularities will be avoided in future.

5. The accounts rendered by the "accountants" of the Grants have, for the most part, been of a satisfactory character, but this observation does not apply to the account of Vote 24, Class III., and Vote 9, Class IV. With regard to the first, they view favourably a suggestion that has been made, that in order to insure proper accountability, the accountant should be an officer more or less under the control of the Treasury; with regard to the second, they attribute the irregularities complained of partly to carelessness in past years, and partly to misapprehensions as to the mode in which the classification of the expenditure should have been made, and they trust that pains will be taken in future accounts to render the officer of the department less liable to stricture in this respect.

CLASS I.

6. VOTE 3.—The Comptroller and Auditor General reports, that a sum of 289*l.* 16*s.* 2*d.*, paid out of Civil Contingencies, should have been a charge against the Vote.

In this view your Committee concur; but the circumstances were rendered exceptional by reason of the transfer of administration to the Treasury, which prevented the Foreigh Office from being able properly to "account," and this was, in their judgment, some justification to the Treasury in departing from what was strictly the proper course.

7. VOTE 21.—In this case there was an expenditure on a work at a place not named in the estimate; but it is covered by the terms of the Appropriation Act.

Your Committee, however, think that in all such cases the special reason for executing such a work in the financial year should be explained in a note to the account.

8. VOTE 23.—A question arises upon the Report of the Comptroller and Auditor General whether a sum of 5,803 *l.* 14 *s.* 5 *d.*, introduced into the account of the Inland Revenue Vote, is not properly chargeable to this Vote. Your Committee consider that, under all the circumstances, it must be left as a charge upon the Inland Revenue Vote; but they are strongly of opinion that in no case should there be any occasion for doubt as to the vote against which a payment should be chargeable. It would appear desirable that in future the Office of Works should undertake the administration of the whole expenditure of this character; but if this could not be effected without much inconvenience, the terms of each vote ought to be so definite as to preclude all future confusion; and if these suggestions are adopted, the principle contended for by the Comptroller and Auditor General will be in future carried out.

9. An arrangement has been made under which Extra Receipts under this Class will for the future be paid over quarterly.

CLASS II.

10. VOTE 2.—A very important question arises upon the Report on this account. If the receipt of the Secretary of State or other Minister, for Secret Service Money is to be considered as final payment—and this the permanent Under Secretary of State for Foreign Affairs represents to be the law according to the opinion of the law officers—then no account will be rendered of the total disbursements within any one year, and no surrender to the Exchequer of the balance at the end of thefi nancial year of any monies which have come into the hands of the Minister, will ever be made, but the balances, if any, will be accumulated from year to year. This appears to your Committee to be contrary to the spirit of the Exchequer and Audit Departments Act, 1866. The question is wholly apart from that which has been mixed up with it in the discussion, namely, how far vouchers in support of the details of the charge ought to be required.

11. VOTE 31 —Your Committee have ascertained that "Extra Receipts" in this case are accounted for and surrendered monthly, and that the discrepancy noticed in the Report of the Comptroller and Auditor General arises from the fact that the March receipts were not paid over till April, which, under the system, must always happen.

CLASS III.

12. VOTE 10.—The account of this Vote is not wholly satisfactory. This arises mainly from the fact that the Parliamentary Estimates were based upon Estimates transmitted from the Colonies; but the latter had been framed in forms which are now obsolete, and it was impossible to state precisely the amounts belonging to several of the Sub-heads of the new form of Parliamentary Estimates. For the other causes your Committee refer to the evidence given upon the subject.

13. VOTE 21.—

13. Vote 21.—There appears to be some difficulty in the Admiralty furnishing the vouchers in support of the charges mentioned in the fifth paragraph of the Comptroller and Auditor General's Report by reason of their being mixed up with other matters in their books. It has been suggested that certified extracts from the Admiralty vouchers should be furnished to the accounting department and produced to the Audit Office, in support of the charge. Your Committee do not say that under no circumstances such certified extracts should be accepted, but they think that the Admiralty may be able to suggest some other mode of meeting the difficulty without having recourse to what appears to them rather a questionable expedient.

CLASS IV.

14. Vote 10.—Your Committee are of opinion that the Comptroller and Auditor General was entirely right in reporting upon the charge made against the grant for the University of London in respect of the expenses of the Vice Chancellor as returning officer in relation to two elections for the University, such not being "a purpose for which such grant was intended to provide;" but inasmuch as the expenditure is covered by the Appropriation Act they are unable to say that there is any technical incorrectness in charging the expenditure against the Vote

14. Vote 14.—In the second paragraph of the Comptroller and Auditor General's Report, he adverts to the fact that the classification of the expenditure under Sub-head I. is not according to the 13 detailed heads. It does not appear to your Committee that the accountant was bound to render his account under more than the principal sub-heads mentioned in the Estimate; but the object of the Comptroller and Auditor General, which is in their judgment a proper one, would be attained if the Treasury were to require that more principal sub-heads should be shown upon the Estimate; there would then be consequentially a greater sub-division in the account.

CLASS V.

16. Vote 5.—There appears to have been great irregularity with regard to the expenditure mentioned in paragraph 3 of the Report of the Comptroller and Auditor General; but the circumstances were very exceptional, and as the Consulate has been abolished, there is no possibility of such irregularity occurring again.

17. Vote 6.—With regard to the sum of 431 *l.* 7 *s.* 10 *d.*, observed upon in paragraph 3 of the Report of the Comptroller and Auditor General, your Committee are of opinion that it is properly chargeable to the Vote. They wish it, however, to be understood that it is in their judgment the duty of that officer whenever, as in this case, he considers that any money has been applied to any purpose other than that for which the grant of Parliament was intended to provide, specially to report thereupon, availing himself, in his discretion, of any information given in the Estimate upon which the Vote has been taken.

18. Vote 10.—Your Committee are of opinion that the expenditure of the sum of 162 *l.* 15 *s.* 4 *d.*, mentioned in the note to the account ought to have been shown in the account.

CLASSES VI. and VII.

19. No observation arises upon these accounts.

REVENUE DEPARTMENTS.

Customs.

20. Your Committee approve of the suggestion of the Comptroller and Auditor General contained in paragraph 3 of his Report, that the mode of recording extra receipts in the accounts of the three Revenue Departments should be uniform.

Inland Revenue.

21. Your Committee refer to their observations on Class I, Vote 23.

Post Office.

22. They understand that the recommendation of this Committee, made in their Third Report of last Session, and named in the second paragraph of the Report of the Comptroller and Auditor General, has been accepted by the Department for future guidance.

Post Office Packet Service.

23. No observation arises upon this account.

General Observations.

24. Your Committee have ascertained that the errors in the several accounts adverted to by the Comptroller and Auditor General in his Reports, have been, for the most part, adjusted, or are in course of adjustment, and particularly that the surrenders to the Exchequer mentioned as due in relation to

Vote 22 - - - - -	Class I.
„ 9 - - - - - -	„ IV.
„ 2 - - - - - -	„ VI.

have since been made.

25. They find that there was expended upon the Civil Services for the year ending 31 March 1869, 344,826 *l.* 6 *s.* 1½ *d.* less than was voted, and upon the Revenue Departments 47,946 *l.* 18 *s.* 3½ *d.* less than was voted. It must be borne in mind, however, with reference to this statement, that these figures do not necessarily imply saving to that amount, as in every year some services, which have been estimated for, being postponed, or not completed within the year, fall to be provided for, wholly or in part, in subsequent estimates.

26. In concluding this Report, Your Committee desire to advert to the fact that, under the provisions of the Exchequer and Audit Departments Act, 1866, the Reports of the Comptroller and Auditor General are submitted to the House through the medium of the Treasury. They are of opinion that this officer would have a higher and more independent position in the eye of the several Departments of the State, if his Reports were presented by him directly to the House. From the same point of view they are inclined to regret the decision of the Treasury, which transpired in the course of their inquiry, that in future the account of the Vote for the Exchequer and Audit Department shall be rendered by the Treasury. It is no doubt contrary to the spirit of the Exchequer and Audit Act that any officer should audit his own account; and while they do not dissent from the view of the Treasury that the secretary of the office must be considered as not wholly independent of his chief, even in rendering the account, they are of opinion that the right remedy will be, whenever occasion requires the amendment of the Act, to provide that some independent person shall be associated with the Comptroller and Auditor General in auditing the account of this particular Vote.

SCHEDULE.

(TITLE OF VOTE).

ACCOUNT of the Sum Expended compared with the Sum Granted for in the Year ended 31st March 186 , showing the Surplus or Deficit upon each Sub-head of the Vote.

EXPLANATION of the Causes of Variation between Expenditure and Grant.

	SERVICE.	Grant.	Expenditure.	Expenditure Compared with Grant.		
				Less than granted.	More than granted.	
		£. s. d.	£. s. d.	£. s. d.	£. s. d.	
A	According to Sub-heads of Estimate.					A
B						B
C						C
D						D
E						E
F						F
G						G
H						H
I						I
	£.					
	Deduct Surplus or Deficit as the case may be - -					
	NET Surplus to be surrendered, or Deficit to be Voted, as the case may be - - - £.					

£. s. d.

Estimated Amount of Extra Receipts payable to Exchequer -

Amount of Extra Receipts realised in the Year 186 , and paid over to Exchequer - - - - - - - -

PROCEEDINGS OF THE COMMITTEE.

Friday, 8th April 1870.

MEMBERS PRESENT:

Mr. Stansfeld.	Mr. Pollard-Urquhart.
Mr. Seely.	Mr. Goldney.
Lord F. Cavendish.	Mr. Sclater-Booth.

The Right Hon. *George Ward Hunt* was called to the Chair.

[Adjourned till Wednesday, 27th April, at One o'clock.

Wednesday, 27th April 1870.

MEMBERS PRESENT:

Mr. POLLARD-URQUHART in the Chair.

Mr. Liddell.	Mr. Sclater-Booth.
Mr. Candlish.	Mr. Fowler.
Mr. Stansfeld.	Mr. Seely.
Lord F. Cavendish.	

In the absence of Mr. *Hunt*, Mr. *Pollard-Urquhart* was called to the Chair.

The Committee deliberated upon Class I. of the Civil Service Appropriation Accounts for 1868-9.

[Adjourned till Wednesday next, at One o'clock.

Wednesday, 4th May 1870.

MEMBERS PRESENT:

Mr. HUNT in the Chair.

Mr. Candlish.	Mr. Seely.
Mr. Pollard-Urquhart.	Mr. F. Cavendish.
Mr. Stansfeld.	Mr. Egerton.
Mr. Fowler.	Mr. Sclater-Booth.

The Committee further considered Class I. of the Civil Service Appropriation Accounts for 1868-9.

Mr. *Foster*, Mr. *Russell*, Mr. *Anderson*, Mr. *Cole*, and Mr. *Ryan* were severally examined.

[Adjourned till Wednesday next, at One o'clock.

Wednesday, 11*th May* 1870.

MEMBERS PRESENT:

Mr. HUNT in the Chair.

Mr. Pollard-Urquhart.	Lord F. Cavendish.
Mr. Sclater-Booth.	Mr. Egerton.
Mr. Stansfeld.	Mr. Seely.
Mr. Goldney.	

Mr. *Griffiths*, Mr. *M. H. Foster*, Mr. *Russell*, Mr. *Hawker*, Mr. *Edwards*, Mr. *Bathurst*, and Sir *William Dunbar*, were severally examined.

Resolved, That the Comptroller and Auditor General be requested to furnish a Report on Vote 31, Class I., of the Appropriation Accounts, of Sums granted for Civil Services and Revenue Departments, for the year ended 31st March 1869.

The Committee further considered the Civil Service Appropriation Accounts.

[Adjourned to Wednesday next, at Twelve o'clock.

Wednesday, 18*th May* 1870.

MEMBERS PRESENT:

Mr. HUNT in the Chair.

Mr. Stansfeld.	Mr. Sclater-Booth.
Mr. Fowler.	Mr. Pollard-Urquhart.
Lord F. Cavendish.	Mr. Goldney.
Mr. Seely.	Mr. Candlish.
Mr. Liddell.	

The Committee considered Classes II. and III. of the Appropriation Accounts.

In Class II., Votes 2, 10, 17, 18, were *postponed.*

In Class III., Votes 23, 24, 34, were *postponed.*

Sir *W. Dunbar*, Mr. *W. G. Anderson*, Mr. *Foster*, Mr. *Vine*, Mr. *Blackwood*, Mr. *Ryan*, and Mr. *Whiffin*, were severally examined.

[Adjourned to Wednesday next, at Twelve o'clock.

Wednesday, 25*th May* 1870.

MEMBERS PRESENT:

Mr. HUNT in the Chair.

Mr. Liddell.	Mr. Candlish.
Mr. Seeley.	Lord F. Cavendish.
Mr. Stansfeld.	Mr. Sclater-Booth.
Mr. Pollard-Urquhart.	

The Committee considered the subject of Secret Service Money.

Mr. *Hammond*, Sir *W. Dunbar*, and Mr. *Foster* were severally examined.

Mr. *Pigott* examined as to the Report of the Comptroller and Auditor General upon the Court of Chancery, Ireland.

[Adjourned till Friday next, at Two o'clock.

Friday, 27th May 1870.

MEMBERS PRESENT:

Mr. HUNT in the Chair.

Mr. Liddell.	Mr. Seely.
Mr. Pollard-Urquhart.	Lord F. Cavendish.
Mr. Candlish.	Mr. Stansfeld.

The Committee considered Class IV.

The Right Hon. *James Stansfeld* (a Member of the Committee), Mr. *H. Cole*, Mr. *Foster*, Mr. *Ryan*, Mr. *Blackwood*, and Sir *W. Dunbar*, were severally examined.

[Adjourned till Wednesday, 15th June, at Twelve o'clock.

Wednesday, 15th June 1870.

MEMBERS PRESENT:

Mr. HUNT in the Chair.

Mr. Seely.	Mr. Fowler.
Lord F. Cavendish.	Mr. Egerton.
Mr. Stansfeld.	Mr. Sclater-Booth.
Mr. Liddell.	Mr. Candlish.
Mr. Pollard-Urquhart.	

The Committee considered Classes V., VI., VII., of Civil Service Appropriation Accounts; also those of the Revenue Departments, and of the Post Office Packet Service.

Sir *W. Dunbar*, Mr. *Foster*, Mr. *Anderson*, Mr. *Vine*, Mr. *Ryan*, Mr. *Blackwood*, Mr. *Lewis*, Mr. *Alston*, Mr. *Dicks*, Mr. *Gripper*, and Mr. *Chetwynd*, were severally examined.

[Adjourned till Friday next, at Twelve o'clock.

Friday, 17th June 1870.

MEMBERS PRESENT:

Mr. HUNT in the Chair.

Mr. Seely.	Mr. Liddell.
Mr. Pollard-Urquhart.	Mr. Sclater-Booth.
Mr. Candlish.	Mr. Egerton.
Lord F. Cavendish.	

The Committee considered the Army Appropriation Accounts, and Savings and Deficiencies.

Mr. *Whiffin*, Mr. *Bathurst*, Mr. *Foster*, Mr. *Hanby*, and Mr. *Turner*, were severally examined.

[Adjourned till Wednesday, 22nd June, at Twelve o'clock.

Wednesday, 22nd June 1870.

MEMBERS PRESENT:

Mr. HUNT in the Chair.

Mr. Seely.	Mr. Egerton.
Lord F. Cavendish.	Mr. Stansfeld.
Mr. Pollard-Urquhart.	Mr. Sclater-Booth.
Mr. Liddell.	Mr. Candlish.

DRAFT REPORT proposed by the Chairman read the first time, as follows:—

"1. Your Committee having concluded the examination of the Appropriation Accounts of the sums granted by Parliament for the Civil Services and the Revenue Departments, for the year ending 31st March 1869, together with the reports of the Comptroller and Auditor General thereon, are enabled to state, that in the case of every grant for such services an Appropriation Account has been rendered, and, with the exception of Vote 31, Class I., reported upon.

"2. The year 1868–69 being the first year in which the requirements of 'The Exchequer and Audit Departments Act, 1866,' have in this respect been entirely complied with, may be considered as marking the commencement of a new era in our financial history.

"3. Your Committee, having had under consideration the form of accounts prescribed by the Treasury, are of opinion that the terms 'Savings' and 'Deficiencies,' standing at the head of the 4th and 5th columns of the account respectively, are calculated to mislead, and that more appropriate phraseology may he employed in other parts of such form, and they recommend that the form of account given in the schedule which has been prepared at their instance be adopted in future.

"4. They observe, that in several instances sums have been brought to charge in the year under consideration which should legitimately have come in course of payment during the preceding year; as, for example, in the following accounts, viz.:

"Class I. - - - -	Vote 9.
"Class II. - - - -	„ 10.
	„ 14.
	„ 40.
"Class III. - - - -	„ 20.
	„ 23.
"Class IV. - - - -	„ 3.

and they hope that now that the attention of the departments in which this has taken place has been drawn to the matter, these irregularities will be avoided in future.

"5. The accounts rendered by the 'accountants' of the Grants have, for the most part, been of a satisfactory character; but this observation does not apply to the account of Vote 24, Class III., and Vote 9, Class IV. With regard to the first, they would observe that, with a view to insure proper accountability, it is worth considering whether the accountant should not be an officer more or less under the control of the Treasury; with regard to the second, they attribute the irregularities complained of partly to the carelessness in past years, and partly to misapprehensions as to mode in which the classification of the expenditure should have been made, and they trust that pains will be taken in future accounts to render the officers of the department less liable to stricture.

"CLASS I.

"6. VOTE 3.—The Comptroller and Auditor General reports, that a sum of 289 *l.* 16 *s.* 2 *d.*, paid out of Civil Contingencies, should have been a charge against the Vote.

"In this view the Committee concur; but the circumstances were rendered exceptional by reason of the transfer of administration to the Treasury, which prevented the Foreign Office from being able properly to 'account,' and this was, in their judgment, some justification to the Treasury in departing from what was strictly the proper course.

"7. VOTE 21.—In this case there was an expenditure on a work at a place not named in the estimate; but it is covered by the terms of the Appropriation Act.

"The Committee, however, think that in all such cases the special reason for executing such a work in the financial year should be explained in a note to the account.

"7*a*. VOTE 23.—A question arises upon the Report of the Comptroller and Auditor General whether a sum of 5,803 *l*. 14 *s*. 5 *d*., introduced into the account of the Inland Revenue Vote, is not properly chargeable to this Vote. Your Committee consider that, under all the circumstances, it must be left as a charge upon the Inland Revenue Vote, but that the contention of the Comptroller and Auditor General is in principle correct; and they are strongly of opinion that in no case should there be left any occasion for doubt as to the vote against which a payment should be chargeable. It would appear desirable that in future the Office of Works should undertake the administration of the whole expenditure of this character; but if this could be effected without much inconvenience, the terms of each vote ought to be so defined as to preclude all future confusion.

"8. An arrangement has been made under which Extra Receipts under this Class will for the future be paid over quarterly.

"CLASS II.

"9. VOTE 2.—A very important question arises upon the Report on this account. If the receipt of the Secretary of State for Secret Service Money is to be considered as final payment, and this the Under Secretary of State represents to be the law according to the opinion of the law officers, then no account will be rendered of the total of disbursements within any one year, and no surrender to the Exchequer of the balance at the end of the financial year of any moneys which have come into the hands of the Secretary of State will ever be made, but the balances, if any, will be accumulated from year to year. This appears to your Committee to be contrary to the spirit of the Exchequer and Audit Departments Act, 1866. The question is wholly apart from that which has been mixed up with it in the discussion, namely, how far vouchers in support of the details of the charge ought to be required.

"10. VOTE 31.—Your Committee have ascertained that 'Extra Receipts' in this case are accounted for and surrendered monthly, and that the discrepancy noticed in the Report of the Comptroller and Auditor General arises from the fact that the March receipts were not paid over till April, which, under the system, must always happen.

"CLASS III.

"11 VOTE 10.—

"12. VOTE 21.—There appears to be some difficulty in the Admiralty furnishing the vouchers in support of the charges mentioned in the fifth paragraph of the Comptroller and Auditor General's Report by reason of their being mixed up with other matters in their books. It has been suggested that certified extracts from the Admiralty vouchers should be furnished to the accounting department and produced to the Audit Office, in support of the charge. Your Committee do not say that under no circumstances such certified extracts should be accepted, but they think that the Admiralty may be able to suggest some other mode of meeting the difficulty without having recourse to what appears to the Committee rather a questionable expedient.

"CLASS IV.

"13. VOTE 10.—The Committee are of opinion that the Comptroller and Auditor General was acting right in reporting upon the charge made against the grant for the expenses of the Vice Chancellor as returning officer in relation to two elections for the University, it being his opinion that such was not 'a purpose for which such grant was intended to provide;' but inasmuch as the expenditure is covered by the Appropriation Act they are unable to say that there is any technical incorrectness in charging the expenditure against the vote.

"14. VOTE 14.—In the second paragraph of the Comptroller and Auditor General's Report, he adverts to the fact that the classification of the expenditure under Sub-head I. is not according to the 13 detailed heads. It does not appear to your Committee that the accountant was bound to render his account under more than the principal sub-heads mentioned in the Estimate; but the object of the Comptrollor and Auditor General, which is in their judgment a proper one, would be attained by the Treasury requiring that more principal sub-heads should be shown upon the Estimate; there would then be consequently a greater sub-division in the account.

"CLASS V.

"15. VOTE 5.—There appears to have been some irregularity with regard to this expenditure, mentioned in paragraph 3 of the Report; but the circumstances were very exceptional, and as the Consulate has been abolished, there is no possibility of such irregularity occurring again.

"16. VOTE 6.—With regard to the sum of 431*l.* 7*s.* 10*d.*, observed upon in paragraph 3 of the Report of the Comptroller and Auditor General, your Committee are of opinion that it is properly chargeable to the Vote. They wish it, however, to be understood that it is in their judgment the duty of that officer whenever, as in this case, he considers that any money has been applied to any purpose other than that for which the grant of Parliament was intended to provide specially to report thereupon, and that he is entitled to gather the intention of Parliament from any information given in the Estimate upon which the Vote has been taken.

"17. VOTE 10.—Your Committee are of opinion that the expenditure of the sum of 162*l.* 15*s.* 4*d.*, mentioned in the note to the account, ought to have been shown in the account.

"18. No observation arises upon Classes VI. and VII.

"REVENUE DEPARTMENTS.

"CUSTOMS.

"19. Your Committee approve of the suggestion of the Comptroller and Auditor General contained in paragraph 3 of his Report.

"INLAND REVENUE.

"20. Your Committee refer to their observations on Class I., Vote 23.

"POST OFFICE.

"21. They understand that the recommendation of this Committee, made in their Third Report of last Session, and named in the second paragraph of the Report of the Comptroller and Auditor General, has been accepted by the Department for future guidance.

"POST OFFICE PACKET SERVICE.

"22. No observation arises upon this account.

"GENERAL OBSERVATIONS.

"23. Your Committee have ascertained that the errors in the several accounts adverted to by the Comptroller and Auditor General in his Reports, have been, for the most part, adjusted, or are in course of adjustment, and particularly that the surrender to the Exchequer mentioned as those in relation to

Vote 22 - - - - - - - -	Class I.
„ 9 - - - - - - - -	„ IV.
„ 2 - - - - - - - -	„ VI.

have since been made.

"24. It is satisfactory to find that there was expended upon the Civil Services for the year ending 31 March 1869, 344,826*l.* 6*s.* 1½*d.* less than was voted, and upon the Revenue Departments 47,946*l.* 18*s.* 3½*d.* less than was voted.

"25. Your Committee cannot conclude this Report without adverting to the channel through which the Report of the Comptroller and Auditor General are submitted to the House under the provisions of the Act, namely, through the medium of the Treasury. They are of opinion that this officer would have a higher and more independent position in the eye of the several Departments of the State, if his Reports were presented by him directly to the House; and from the same point of view they are inclined to regret the decision of the Treasury, that in future the account of the Vote for the Exchequer and Audit Department shall be rendered by the Treasury. This having transpired in the course of their inquiry, it is no doubt contrary to the spirit of the Exchequer and Audit Act that any officer should audit his own account; and the view of the Treasury may be correct that the secretary of the office must be considered as not wholly independent of his chief, even in rendering the account, but they are of opinion that the right remedy will be, whenever occasions require the amendment of the Act, to provide that some independent person shall be associated with the Comptroller and Auditor General in auditing the account of this particular Vote."

Question, That the Report be now read a second time, and considered, paragraph by paragraph,—put and *agreed to*.

Paragraphs 1 to 10, amended and *agreed to*.

New paragraph 12 inserted.

Paragraph 13 *agreed to*.

Paragraph 14.—Amendment proposed, to leave out from the word "provide" to the end of the paragraph—(Mr. *Liddell*).—Question put, That the word "but" stand part of the paragraph. The Committee divided:—

Ayes, 4.	Noes, 2.
Lord F. Cavendish.	Mr. Seely.
Mr. Pollard-Urquhart.	Mr. Liddell.
Mr. Egerton.	
Mr. Sclater-Booth.	

Amendments made. Paragraph, as amended, *agreed to*.

Paragraphs 15 to 26, amended and *agreed to*.

Question, That this Report, as amended, be the Report of the Committee to the House,—put and *agreed to*.

Ordered, To Report, together with Minutes of Evidence.

[Adjourned till Wednesday, 6 July, at Twelve o'clock.

MINUTES OF EVIDENCE.

LIST OF WITNESSES.

Wednesday, 4th May 1870.

	PAGE
Mr. Morgan Hugh Foster, C.B., and Mr. George Russell	1
Mr. William George Anderson	2
Mr. James Henry Cole	4
Mr. Charles Lister Ryan	5

Wednesday, 11th May 1870.

Mr. Morgan Hugh Foster, C.B., and Mr. Vincent Griffiths	14
Mr. George Russell	17
Sir William Dunbar, Bart.	18
Mr. Francis Alfred Hawker	20
Mr. George M. Edwards	26
Mr. Henry Thomas Dundas Bathurst	27

Wednesday, 18th May 1870.

Sir William Dunbar, Bart., Mr. William George Anderson, Mr. Morgan Hugh Foster, C.B., Mr. Charles Lister Ryan, Mr. Charles Vine, and Mr. Henry W. S. Whiffin	29
Mr. Alfred Richard Pennefather	31
Mr. John S. Lewes	32
Mr. James Beeby	34
Mr. Stevenson A. Blackwood	40
Mr. George M. Edwards	42

Wednesday, 25th May 1870.

Right Hon. Edmund Hammond	47
Sir William Dunbar, Bart.	51
Mr. Morgan Hugh Foster, C.B.	61
Right Hon. James Stansfeld, M.P.	63
Mr. John S. Lewes	63
Mr. Charles Lister Ryan	64
Mr. Joseph Bedder	64
Mr. George Pigott	65

Friday, 27th May 1870.

Sir William Duncan, Bart., Mr. Morgan Hugh Foster, C.B., Mr. Henry Cole, C.B., Mr. Norman McLeod, Mr. Charles Vine, Mr. Charles Lister Ryan, Mr. Anthony L. Simkins, and Mr. Walter C. Cocks	68
Right Hon. James Stansfeld, M.P.	80

Wednesday, 15th June 1870.

Sir William Dunbar, Bart., Mr. Morgan Hugh Foster, C.B., Mr. William George Anderson, Mr. Charles Vine, and Mr. Charles Lister Ryan	86
Mr. Stevenson A. Blackwood	91
Mr. John Sayer Lewes	94
Mr. Francis B. Alston	104
Mr. William Dick	108
Mr. Frederick Gripper	109
Mr. George Chetwynd	109

Friday, 17th June 1870.

Mr. Henry W. S. Whiffin	112
Mr. Henry Thomas Dundas Bathurst	113
Mr. Morgan Hugh Foster, C.B.	113
Mr. John Hanby	114
Mr. Charles Turner	116

MINUTES OF EVIDENCE.

Wednesday, 4th May 1870.

MEMBERS PRESENT:

Mr. Candlish.
Lord Frederick Cavendish.
Mr. Algernon Egerton.
Mr. William Fowler.
Mr. Hunt.
Mr. Pollard-Urquhart.
Mr. Sclater-Booth.
Mr. Seely.
Mr. Stansfeld.

THE RIGHT HONOURABLE GEORGE WARD HUNT, IN THE CHAIR.

Mr. MORGAN HUGH FOSTER, C.B., and Mr. GEORGE RUSSELL, called in; and Examined.

Mr. *Foster.*
Mr. *Russell.*
4 May 1870.

1. *Chairman* (to Mr. *Foster*).] WITH regard to Vote 1, I believe the first question that the Committee wish to ask you is, as to the blending of the Accounts C. and D. "Consular Buildings, China," and "Consular Buildings, Japan." There is a note signed by you which says "that the distinct votes, China and Japan, have been blended together, as it has not been found practicable to record the expenditure separately." Does that necessity arise solely from the stores having been purchased in England for both services, and no separate account kept, or is there any other reason why the accounts have not been separated?—It is entirely a matter of stores, and I believe the only question which now remains open is with respect to a sum of about 25 *l.* chargeable for certain Queen's arms which were sent out, and it was not possible to say exactly in what consulate they would be used; but I think the separation will be complete for the future.

2. Mr. *Stansfeld* (to Mr. *Russell*).] There are stores purchased in England for the use of the consulates in China and Japan; can you inform the Committee by whom those stores are purchased in England?—These stores were not bought by the Department of Works at all.

3. *Chairman* (to Mr. *Foster*).] Major Crossman had charge of the expenditure in China and Japan, had he not?—Major Crossman has charge of the expenditure in China.

4. And in Japan, also, had he not?—Yes.

5. (To Mr. *Russell.*) Do you know whether it was left to him to order all the stores for these services from England?—I apprehend that at this time, as far as I am concerned, we had nothing whatever to do with the matter in our department; it did not come within the province of the Office of Works in any way.

6. (To Mr. *Foster.*) Can you find out for us how the stores were ordered?—The impression seems to be that Major Crossman orders them himself.

7. Then would he draw upon the Treasury for them?—Yes, he would draw upon the Treasury for them.

8. Major Crossman is in England, is he not?—Yes, but he is not in London.

9. Then leaving that part of the question for the present, it appears that the saving on these votes arises, according to the explanation, "from the progress made in the erection of the various consular buildings having been less than was anticipated when the Estimates were presented to Parliament." That is a matter that very often happens; but I believe an honourable Member wishes to raise the question as to whether it should be denominated a "saving"; whether there should not be any distinction between a real saving, that is, a service costing less than was anticipated, and a case where the service has merely not been performed; do you think that it would be possible to give it a different denomination, so as to distinguish the case of the expenditure being less than the Estimate by reason of the work not having been performed, from the case of the expenditure having been less than the estimate because the service had been performed more cheaply than was anticipated?—I think it would be extremely difficult to make such a separation in the accounts; I do not see any other way of doing it than by keeping a duplicate set of every account, one to show the actual expenditure, and the other merely for the purpose of a comparison with the estimated expenditure; it would add extremely to the labour of keeping the accounts.

10. You would want an analysis of the expenditure presented to the Accounting Department, I suppose?—Yes. For every charge that was recorded in the account one would be obliged to keep a comparison of what the estimate of that charge had been, and that in the greatest detail.

11. Mr. *Candlish.*] Assuming that to be correct,

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	PAGE
Mr. Morgan Hugh Foster, C.B., and Mr. George Russell	1
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Mr. Charles Lister Ryan	64
Mr. Joseph Bedder	64
Mr. George Pigott	65

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MINUTES OF EVIDENCE.

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Mr. William Fowler.	Mr. Stansfeld.
Mr. Hunt.	

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1. *Chairman* (to Mr. *Foster*).] WITH regard to Vote 1, I believe the first question that the Committee wish to ask you is, as to the blending of the Accounts C. and D. "Consular Buildings, China," and "Consular Buildings, Japan." There is a note signed by you which says "that the distinct votes, China and Japan, have been blended together, as it has not been found practicable to record the expenditure separately." Does that necessity arise solely from the stores having been purchased in England for both services, and no separate account kept, or is there any other reason why the accounts have not been separated?—It is entirely a matter of stores, and I believe the only question which now remains open is with respect to a sum of about 25 *l.* chargeable for certain Queen's arms which were sent out, and it was not possible to say exactly in what consulate they would be used; but I think the separation will be complete for the future.

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4. And in Japan, also, had he not?—Yes.

5. (To Mr. *Russell*.) Do you know whether it was left to him to order all the stores for these services from England?—I apprehend that at this time, as far as I am concerned, we had nothing whatever to do with the matter in our department; it did not come within the province of the Office of Works in any way.

6. (To Mr. *Foster*.) Can you find out for us how the stores were ordered?—The impression seems to be that Major Crossman orders them himself.

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10. You would want an analysis of the expenditure presented to the Accounting Department, I suppose?—Yes. For every charge that was recorded in the account one would be obliged to keep a comparison of what the estimate of that charge had been, and that in the greatest detail.

11. Mr. *Candlish*.] Assuming that to be correct,

Mr. *Foster.* Mr. *Russell.* 4 May 1870.

rect, it occurred to me that the words used at the head of these sub-columns, "Savings" and "Deficiencies," did not exactly convey the fact; and, indeed, that they were rather calculated to mislead. For instance, you see a sum of 22,893 *l.* under the head of Savings in China and Japan, on page 4, which you have before you, I presume?—Yes.

12. That is, in point of fact, not a saving; it is a postponed expenditure?—Yes, I think it is open to that remark.

13. And in Sub-Votes C. D. you say "there is a considerable saving on both these votes," which I apprehend is scarcely what you wished to convey; you did not mean that there was a general saving, I apprehend, but that the money was kept in hand for the present?—Yes; I think it is open to the remark you make; but those are terms that have been used for so many years that I think nearly everybody comprehends what they mean. A certain sum is granted by Parliament, and a less sum is spent, and the difference is called a "saving." If we were to adopt what I believe has been suggested, and to say "the net balance to be surrendered," omitting the words "savings" and "deficiencies," we should also have to use the words "net balance to be voted." When a vote is overdrawn it appears to me that to say "a net balance to be voted" might be also a little delusive.

14. Will you refer to page 50. Do you see in the heading there "More than voted," and "Less than voted"?—Yes, I think in an abstract like this, that is a very good way of putting it; but when you come to say that a net balance is to be surrendered, or that a net balance is to be voted, it appears to me that the words "savings" and "deficiencies" point out more clearly on which side the balance is.

15. Mr. *Fowler.*] Is not that pointed out by the question, whether it is to be surrendered or voted, that shows on which side the balance is?—Yes, I think it would do well enough.

16. There is no magic in the word "saving"?—No.

17. *Chairman.*] In some cases the saving arises from the fact that the bill has not been paid, and in that case, the word "saving" would be clearly misapplied. When the service had been performed, but owing to the account not having been sent in, or for some other cause, it was not paid, that could not be called a "saving"?—I think it is quite open to that remark.

18. Mr. *Fowler.*] Will you state what difficulty there would be in adopting the words used at page 50 in every vote?—None whatever; the only little objection I have is that, when you come to show the balance to be surrendered, or the balance to be voted, it appears to me that although those words would be sufficient, the words "savings" and "deficiencies" point out more strongly on which side the balance is.

Mr. William George Anderson, called in; and Examined.

Mr. *Anderson.*

19. *Chairman.*] Do you think that the word "saving" is the proper term to apply to these cases where frequently the fact is that a service has not been performed, and there has been less expenditure because the service has been deferred, or would lead to any inconvenience if the term was changed?—The term "saving" certainly indicates, so far as the comparison of two sums is concerned, that so much of the vote remains; but in a great many cases, especially in this Vote 1, it is not an actual saving; but it means that the expenditure has been postponed. In some cases there is a vote taken, and no expenditure whatever incurred; therefore it is not right to say that it is a saving upon the grant; it is merely a grant the expenditure of which has been postponed.

20. Mr. *Stansfeld.*] These accounts are accounts of the expenditure of cash?—Yes.

21. Am I not right in saying that there is nothing positively inaccurate in speaking of a saving in a cash account, even though it might not mean an ultimate saving upon the expenditure, which sooner or later will have to be incurred?—No, it is not inaccurate, but the term may mislead; it may lead people to suppose that it is a saving upon the expenditure incurred for a particular vote; but when no expenditure has been incurred in the year, because it has been postponed, and no cash has been issued from the Exchequer, it is not strictly correct to say that the sum unexpended is a saving.

22. Therefore, if I understand your evidence rightly, you say that although there is nothing from an accountant's point of view inaccurate in the expression in a cash account, still probably there would be no difficulty in substituting other phrases which could not mislead?—The words might run thus: "Grant unexpended," or "Expenditure in excess of Grant," that would be an accurate expression.

23. Have you the Appropriation Account before you?—Yes.

24. Will you turn to page 50, that is the report of your department, the Report of the Comptroller and Auditor General?—Yes.

25. I find there that after the columns "Grant" and "Expenditure," you put "Expended," "More than voted," and "Less than voted." Would not those words "More than voted," and "Less than voted," be preferable if we were to substitute them for "Savings" and "Deficiencies" in each vote?—Yes; I think these terms are correct.

26. Take page 4, Vote 1, "Net Saving to be surrendered." Supposing instead of those words "Net Saving" we were to say either "Net Sum" or "Net Balance to be surrendered"?—You might say "Net Vote unexpended to be surrendered;" it is a vote unexpended or unissued.

27. It is a portion of the vote which is unexpended?—Yes; it is the balance of a Parliamentary credit at the Exchequer to be cancelled.

28. Do you not think that "sum" or "balance" or "amount" is a better word; it is a sum and it is a balance?—There is no objection to that; you might say "Net sum unexpended to be surrendered."

29. Mr. *Fowler.*] But the words "to be surrendered" imply unexpended?—Yes.

30. Mr. *Stansfeld.*] Are we not right in this view that if we say the "net sum" or the "net balance" "to be surrendered" or "to be voted," the words "to be surrendered" or "to be voted" will explain completely whether there has been a saving or whether there has been a deficiency?—Precisely.

31. Mr. *Pollard-Urquhart* (to Mr. *Foster*).] Would

Mr. *Foster.*
Mr. *Russell.*
Mr. *Anderson.*

4 May 1870.

Would it be possible to make three columns for the expenditure, as compared with the grant upon the Appropriation Account, headed for instance, "postponed," "saving" and "deficiency;" and if so, do you think it would be advisable?—I think it would be difficult to state how much relates to postponement; you could not tell how much the expenditure that was thrown over would be.

32. *Chairman.*] You would have to require your department, in that case, to go into all the details of the estimate for each item of service?—Yes, I do not think it could be done in our department.

33. Mr. *Stansfeld* (to Mr. *Russell*).] With special reference to Vote 1, am I not right in saying that in many cases it would be impossible to fill up that third column. Supposing that we have a total estimate for a given work, and that we take a vote for a certain portion of the total estimate in one year, and that we spend less owing to our doing less work than we expected to do, would it not be impossible as a matter of accurate account very often to say precisely how far we had got in a partially completed contract, and therefore how much of that difference was mere postponement?—It would be impossible to do so in many cases.

34. *Chairman.*] There might be a payment to a contractor on account?—Yes.

35. In that case you could not say how much work that represented?—Just so.

36. Mr. *Stansfeld.*] In your opinion would not that be importing into a cash account the subject matter of an expense account?—Yes.

37. Is it not impracticable to combine a cash account and an expense account in one account of a vote?—Yes.

38. Mr. *Pollard-Urquhart.*] Supposing there is a sum of 8,000 *l.* to be expended on the purchase of a house which is unexpended, would it not be possible to make a column distinguishing that from an ordinary saving?—I apprehend that that would create a confusion in the accounts; it might be done.

39. *Chairman* (to Mr. *Foster*).] Do you think that the terms might stand thus: "Expenditure compared with Grant," "Less" or "More," instead of "Net Saving to be surrendered," "Net Surplus to be surrendered," or "Net Deficit to be voted," as the case may be, and that the words "Surplus" and "Deficit" should be substituted for "Saving" and "Excess" in the explanations. Do you think that that would be a proper way of stating it?—I think that that would be an improvement, and would fully explain the facts.

40. Then will you be good enough at a future meeting of the Committee to hand in a form applicable to each state of account, the surplus and the deficit, for our consideration, based upon that plan?—I will.

41. The order of the votes in the account does not follow the order in the Estimates, does it?—There is a slight difference in this respect. One vote was put in the Estimates which was afterwards struck out, and in the Appropriation Accounts the subsequent votes were moved up a number, so that they are all one in advance of the Estimates after Vote 19.

On Vote 3.

42. The vote with regard to this Tehran Mission House is one which is not very likely to occur often in the Estimates, I suppose. We may consider it as rather an exceptional vote, may we not?—It is now combined with another vote.

43. Therefore we need not trouble ourselves as to its position with regard to the order of the votes in future?—No; with regard to the order of the votes I may explain that in the Estimates for 1867-68 there was a vote for the Natural History Museum, which was Vote No. 19, that vote was not taken; and in the Appropriation Accounts all the other votes were moved up one, instead of retaining the same numbers as in the Estimates.

44. Mr. *Stansfeld.*] Otherwise the accounts follow the order of the votes in the Estimates?—Yes.

45. Is this, in your view, the most advisable order for these accounts?—The order that was adopted in these Estimates for 1868-69 was adopted under great pressure in the preparation of the Estimates, and, I think, under a little misapprehension; it was desirable to show the Votes under the Accounting Departments, and a separate index was given to show that, but the same order was, under a misapprehension, adopted in the original index.

46. You are speaking now of the Estimates?—Yes; it was clearly an inconvenient arrangement, and in the later Estimates the classification of the Votes in the several classes has been put upon a particular principle; the order is not always the same, but each class has been arranged according to the principle which seemed most applicable to it; if you wish I will explain what rule was followed in each class.

47. Mr. *Sclater-Booth.*] Upon this particular point the objection was taken that the vote for the Tehran Mission House came between two English votes; that is to say, you had first a foreign vote for China and Japan; then a home vote for the Metropolitan Fire Brigade, then a vote for the Tehran Mission House, then an English vote for Harbours of Refuge, and then you go abroad again in Vote 5 for "Lighthouses Abroad"?—That was merely because the order being taken according to the Accounting Department, all Votes in Class I., under the Treasury were taken first; next, those under the Foreign Office, and next those under the Board of Trade; but that is clearly not a convenient arrangement. In Class I. the plan adopted now is first to take all the Royal Parks and Public Buildings; second, Public Offices; third, Educational Buildings; fourth, New Buildings; fifth, Harbours, and sixth, Sundries; and a similar arrangement has been followed in the case of each vote. I may add, that as far as possible, England, Ireland, and Scotland have been taken separately.

48. Mr. *Stansfeld.*] Whatever the order may be in the Estimates, in future, as now, the Accounts will follow the Estimates?—The Accounts will follow exactly the order of the Estimates.

49. Mr. *Pollard-Urquhart.*] So they do in this case?—Yes.

50. *Chairman.*] Would it not be better, where there was a vote in the Estimates which was not taken, that the number should be preserved, and a blank left, so that the number of the vote in the Estimates, and the number in the Appropriation Account should correspond?—I think it would clearly be better to do that.

Mr. *Foster.*
Mr. *Russell.*
Mr. *Anderson.*

4 May 1870.

51. Are you now able to give us any further information about the purchase of stores for China and Japan?—

On Vote I.

It appears that the plan followed is, for Major Crossman to address himself to the Treasury, requesting certain stores to be sent to him, and the Treasury employ the Prisons Department, who are in the habit of sending out stores for convicts, and other services abroad, to supply these stores.

52. There was a requisition in this case from Major Crossman, I suppose?—Yes.

53. And that was executed by the Convict Department?—Yes.

54. I suppose you can give the Committee no further information as to where they were consigned to?—No, that I cannot tell.

55. Mr. *Candlish.*] The explanation you give as to how stores were supplied to China, does not appear to me to explain the difficulty of separating the China account from the Japan account?—I think the explanation would be this: the only discrepancy that seems to have occurred in the accounts was a sum of about 25 *l.*, expended for Queen's arms, which are put over the Consulates, and I presume that Major Crossman, in asking for a certain number of those Queen's arms, did not specify how many he would require (perhaps he did not know how many he would require) for one set of Consulates separate from the other.

56. Mr. *Stansfeld.*] In future those accounts of the expenditure will be severed?—For the future arrangements are made so that there will be no difficulty in that respect.

57. Mr. *Candlish.*] In this particular case would it not have been better to have severed them as far as you could, and to have explained it by a note where you could not sever it?—The Treasury would have no knowledge at all as to where they would be required; of course to have written out to China and inquired would have caused delay.

On Vote 3.

Mr. James Henry Cole, called in; and Examined.

Mr. *Cole.*

58. *Chairman.*] Can you give us information with regard to the Tehran Mission House; there was a sum taken for the purchase of the site, and it is still in hand, I believe?—The site was not purchased until after the financial year was over.

59. It will have to be re-voted this year then?—That sum was re-voted in 1869–70.

60. Mr. *Pollard-Urquhart.*] Was that sum of 8,000 *l.* taken merely for the purchase of a site, or for anything else for which money might be wanted in connection with the Tehran Mission House?—It was supposed that it would about cover the cost of the title.

61. Mr. *Sclater-Booth.*] Was it appropriated specially to the purchase of the site, so that these sums of 200 *l.* or 300 *l.* could not be charged to it according to the rules of the Treasury?—I cannot say.

62. Mr. *Stansfeld.*] There are some incidental expenses referred to in the communications between the Audit Office and the Foreign Office, connected with the erection of a mission house at Tehran, which were paid out of Civil Contingencies, and not out of the grant for the site. The question of the honourable Member was, whether the grant of 8,000 *l.* was so explicitly for the site that you could not charge those smaller sums against it, or what other reason there was for charging these smaller sums to the Civil Contingencies, and not to the item of 8,000 *l.* for the site?—My impression is that the 8,000 *l.* was taken merely for the site, that being the estimate for that object, and that no further expenditure was supposed to be likely to be incurred during that year.

63. (To Mr. *Foster.*) If you turn to the Estimates for 1868-69 you will find that the total estimate for the purchase of ground, and for the erection of a new house for Her Majesty's Mission at Tehran is 20,000 *l.*; the vote required for 1868-69, is 8,000 *l.* and the further estimate for completing the work is 12,000 *l.*; that is called the "Tehran Mission House" Vote; if we turn to the Appropriation Account we find that vote of 8,000 *l.* is dealt with as if it was a vote for the purchase of the site, and not for the building of the house. Is it within your knowledge, as a matter of fact, that the estimate of 8,000 *l.* was intended to be exclusively for the purchase of the site?—I am not aware that it was; I think we must be bound by the wording of the estimate.

64. That is another question; can you answer the question I have just put?—I would rather you would ask Mr. Cole.

65. (To Mr. *Cole.*) Is it within your knowlege that the 8,000 *l.* was intended to be appropriated exclusively to the purchase of the site?—I should say so.

66. In other words, when this estimate was taken, the Treasury had reason to expect that 8,000 *l.* would be required, and would be expended in the year for the purchase of that site?—Yes.

67. When therefore certain other contingent expenses were debited to the Civil Contingencies, and not to this vote, was not that because the Treasury assumed that the 8,000 *l.* would all be required for the site, and might have been already expended for the site?—Certainly.

68. Mr. *Sclater-Booth* (to Mr. *Foster*).] Is it not in accordance with practice that when you have a vote taken in the Estimates on account of a service, all payments on account of that service should be debited to the vote. Was not that the case that was argued before this Committee last year with respect to the vote for the Nelson Column?—Yes, I think the ground that might be taken according to the view which has just been expressed would be, that it was supposed that the vote had been expended.

69. Mr. *Stansfeld.*] I want to ascertain the fact first, before we go into the question, as to whether it was correct or not. If you turn to page 7 of the Appropriation Accounts, referring to Vote No. 3, you will find a letter from Mr. Hamilton, and I observe that in that letter he gives the explanation which I have elicited from Mr. Cole. In reply to a letter from the Audit Office he states that these smaller payments "were advanced from the Civil Contingencies Fund by my Lords' directions, in anticipation of a vote for Tehran Mission House for 1869–70; since

since it was considered that the Vote for 1868-69 would no more than suffice to meet the expenditure which was being incurred for purchase of site"?—Yes.

70. Therefore that, correctly or incorrectly, was the ground upon which the Treasury charged these expenses to contingencies?—Yes, so it appears.

Mr. *Foster.*
Mr. *Russell.*
Mr. *Anderson.*

4 May 1870.

Mr. Charles Lister Ryan, called in; and Examined.

Mr. *Ryan.*

71. *Chairman.*] The objection taken by the Audit Office was, that it appears that final payments have been made from Civil Contingencies, which payments the Comptroller and Auditor General considers should have been charged to and included in the Account of the "Tehran Mission House, for the year 1868-69." Do you still hold that opinion?—Yes. We were of opinion that those items were properly chargeable against that vote, and that therefore they should have been charged against it, and we believed that the Treasury were aware at the time that this last letter was written that the sum of 8,000 *l.* had not been expended on the site.

72. In the Account here I find "Tehran Mission House (site for)." Do you remember what the words of the Appropriation Act are in reference to it; do you know whether they followed the Vote of the House or not?—I have no doubt they did; the Civil Service Votes are scheduled in the Appropriation Act.

73. Then you think that these small sums ought to have been charged to that vote?—We thought so. (Mr. *Foster.*) There are other grounds also why those sums were chargeable to 1869-70.

74-5. Mr. *Stansfeld.*] If, in your opinion, the Treasury took a correct course in this case, will you state to the Committee the grounds upon which you have come to that conclusion?—I think the course the Treasury took could be justified in this way. The Vote for 1868-69 was entirely under the Foreign Office, whereas the Vote for 1869-70 was placed under the control of the Treasury; and the officer, Mr. Pulman, who has been sent out to superintend the works at Tehran, was appointed by the Treasury and was a Treasury officer. The intention was that he should superintend, on behalf of the Treasury, the expenditure of the vote which was under the control of the Treasury. Therefore, I think there was good ground for charging the salary and the travelling expenses of Mr. Pulman in going out to Tehran to the vote which would be under the control of the Treasury, and that, consequently, it was proper to charge the expenditure to Civil Contingencies, until the Treasury Vote was taken.

76. *Chairman.*] You mean that the Foreign Office, under whom the Tehran Mission House Vote was placed, could not account for Mr. Pulman's expenditure?—Yes; the Foreign Office had nothing to do with Mr. Pulman; he was a Treasury officer sent out by the Treasury.

77. And the Foreign Office, having to account for Vote 3, these expenses could not rightly be charged against that vote?—It appears to me that that is the case.

78. (To Mr. *Ryan.*) What do you say to that?—I should not take the same view; I think if Parliament granted the money, the expenditure ought to have been charged against the vote without reference to the Accounting Department.

79. Mr. *Selater-Booth* (to Mr. *Foster*).] As a rule, I suppose the Treasury would admit that when there is such a heading as "Tehran Mission House," as a matter of course, all the payments due to that service should be debited against it?—Yes, except under particular circumstances; I think in this case, that the Treasury having specially sent its own officer, and having the Civil Contingencies Fund out of which to meet the expenses, fairly charged it against the Civil Contingencies; but then, when they had the power of repaying the Civil Contingencies out of a special vote of their own, they did right to charge their vote with it and repay the Civil Contingencies. It is a very common thing to charge a sum at the date of payment to Civil Contingencies, and to repay Civil Contingencies after a vote has been granted.

80. Ultimately, will this vote bear the charge which is now borne by the Civil Contingencies?—Yes, it has been borne by the Tehran Mission House Vote for the year 1869-70; but you will observe that the payment out of the vote did not take place until repayment was made to the Civil Contingencies Fund, therefore the date of payment was 1869-70; on that account I think it was right to charge this amount against the Vote for 1869-70.

81. Mr. *Pollard-Urquhart.*] As I understand you, you would not have thought this course desirable if there had not been a sort of change of duties between the Treasury and the Foreign Office?—I think if it had been clear that we had a vote which was intended not only for the site but for buildings, the Treasury, instead of charging the expenditure to the Civil Contingencies, might have charged it to the vote, but the payment really did not take place and become chargeable against the vote until payment was made out of the vote to the Civil Contingencies Fund; therefore, I say it properly falls upon the year 1869-70.

82. Mr. *Stansfeld.*] The payment out of the Civil Contingencies was merely an advance?—Yes.

83. So that the Vote for the Tehran Mission House was ultimately charged with these expenses, but not until the following year?—Not until the year in which the payment was made out of the vote.

84. Mr. *Pollard-Urquhart.*] But if Mr. Pulman had been sent by the Foreign Office, and not by the Treasury, you would not have thought this course advisable; in your opinion that makes all the difference, as I understand you?—If the Foreign Office had sent out Mr. Pulman I suppose they might have charged his expenses against the vote which was under their control.

85. And therefore, in similar cases where, however, all the expenditure has been incurred by the same department, you do not think that that would be a precedent which it would be desirable to follow?—I should feel inclined under the peculiar circumstances of the case to follow the same practice.

86. Mr. *Stansfeld.*] Under similar circumstances?—Yes.

87. Mr. *Pollard-Urquhart.*] If all the expenditure had been incurred by the same department, should

Mr. *Foster.*
Mr. *Russell.*
Mr. *Anderson.*
Mr. *Ryan.*

4 May 1870.

should you feel disposed to do so?—I should take into consideration the circumstances of the vote. If I had considered that the sum voted for the site had all been expended in Persia, I should have recommended its all being charged to Civil Contingencies until we knew whether it was all expended or not.

88. *Chairman.*] It is quite clear, from the Appropriation Act, that it might have been charged against the vote unless there was good reason to the contrary, because the words of the Act are very general?—I have not the words of the Act before me. What I have been saying is independent of that.

89. Lord *Frederick Cavendish* (to Mr. *Ryan*).] Is the objection of the Audit Office removed by the explanation Mr. Foster has given?—I think not. The main objection that Department felt was, that this account shows an unexpended balance of 8,000 *l.*, whereas there had been expenditure incurred which we thought ought to have been charged against the 8,000 *l.*, making it appear that less had been spent than really had been the case.

90. And that objection has been in no degree removed by the explanation given by the Treasury?—No; I think that the fact as to the control of Mr. Pulman in no degree removes that objection.

On Vote 5—Lighthouses Abroad.

91. Mr. *Pollard-Urquhart* (to Mr. *Foster*).] We observe that a very large sum was expended for works at Sombrero, which was not sanctioned by Parliament, or included in the Estimates, amounting to 1,408 *l.*; can you give any explanation of that very large expenditure being made without its being sanctioned by a Vote of Parliament?—The Vote of Parliament is for "Lighthouses Abroad," and that is the only limitation of the Appropriation Act. The sub-division of the vote is for information, but it does not bind the Treasury to expend the exact sums upon the special lighthouses mentioned there. It is impossible to say exactly where repairs may be wanted, and the Treasury have the power of authorising expenditure which is not in the detail of the estimate. It was found expedient to expend money at Sombrero and Castle Island; consequently, the Treasury authorised the Accounting Department to expend it, and accordingly those two sub-heads appear in the account.

92. Mr. *Stansfeld.*] There is an explanatory note, I think, to that Vote, giving the reason?—Yes.

93. *Chairman.*] It was the case, was it not, that there had been a previous Vote taken for Sombrero and Castle Island?—There had been a previous vote, and this is a balance of expenditure which fell into this financial year, but which it was anticipated would have fallen into the previous financial year.

94. Mr. *Pollard-Urquhart.*] It is perhaps one of those little irregularities of account which are almost unavoidable in a transition from one system to another?—No; it may always arise under any system that the works are not completed so rapidly as it was expected they would be, and the payments instead of falling into one year fall into the following year.

95. Would not it have been more regular if the balance had been surrendered at the end of the previous year, and re-voted?—No; as the expenditure falls into the year 1868-69, it is correctly charged upon the vote which Parliament had granted for Lighthouses Abroad in that year.

96. Did you not say that a sum had been specially voted to meet the expenditure on the Sombrero Lighthouse in 1867-68?—It had been included in the amount voted for lighthouses abroad in 1867-68.

97. But it was not brought to account in that year?—There was a portion of the expenditure which had been provided for in the year 1867-68 which was not paid in 1867-68.

98. Would not the more regular course have been that the surplus arising from that expenditure should have been surrendered, and that the further sum required in the following year should have been re-voted?—That is practically the case; the surplus upon the Vote for 1867-68, if there was any, was surrendered, and the expenditure which fell accidentally into the year 1868-69 was met out of the money voted for 1868-69.

99. *Chairman.*] Was the fact this, that from the want of sufficiently rapid communication between the persons charged with the execution of the works at Sombrero and the Board of Trade, the Board of Trade were under the impression that the works were completed, and that the money taken in the previous year would be required to pay for the works so completed, but it turned out that the works were not completed, and more money was wanted to pay for them in the following year?—Yes.

100. Mr. *Stansfeld.*] Is it not, particularly in the case of works at such a distance from this country, clearly impossible to know with certainty the expenditure to the end of the financial year, when your Estimates for the following financial year are, practically speaking, completed two months before the end of the financial year?—That is quite clear.

101. Mr. *Egerton.*] As I understand it, no specific sum is voted for any particular lighthouse, but the Treasury has the power to employ the money that is voted by Parliament upon any lighthouse upon which it may be desirable to expend money?—That is the rule; the Vote of Parliament is for the main item at the head of the vote, and the subsidiary division of that money is under the control of the Treasury.

102. Therefore there is no question of surrendering into the Treasury the deficiency that may have arisen from the non-completion of the works at Sombrero, but the money surrendered by the Treasury would arise from the items of the Vote?—Yes.

103. Mr. *Pollard-Urquhart.*] I suppose the same reasons apply to the expenditure of 622 *l.* 15 *s.* 3 *d.*, in the last item for Dellamara?—The same reasons would apply to that case.

104. (To Mr. *Foster.*) Was any money voted for the lighthouse at Dellamara in the previous year, 1867-68, do you know?—I do not know; a storm may arise and injury may be done to a lighthouse not named in the detail of the Estimate, which of course it will be necessary to repair.

On Vote 9.

105. Mr. *Pollard-Urquhart* (to Mr. *Russell*).] Will you explain why a large excess has occurred on the police for Royal Parks, under Sub-head D.?—There was a large addition made to

to the police force in consequence of a transfer of duties; Hyde Park, having been previously watched by park constables, was given over to the Metropolitan Police, and 10 extra police constables were employed on that duty.

106. Mr. *Sclater-Booth*.] Was not that known when the Estimates were framed?—No, it was not when the Estimates were framed.

107. Was it not known that the parks were to be handed over to the Metropolitan Police?—This increase arose from a suggestion of the Commissioner of Police; he found, when he came to work the system, that the number of men was not sufficient for the purpose.

108. I apprehend that the real fact was that he found he had not estimated sufficiently for the cost arising from the transfer?—Yes.

109. He knew perfectly well that he was going to have charge of the parks?—Yes; but he did not know the extent of the work that would have to be performed.

110. Mr. *Pollard-Urquhart*.] There is a second note which says that the excess is attributable to payments properly chargeable to the Vote for 1867-68 having, through the insufficiency of the Vote, come in course of payment after the 31st March 1868; was not that known at the time the Estimates were prepared?—No; as far as my memory serves me, the bill was something like 2,700*l*. to the Commissioners of Police, for the police watching the park; the whole of that was occasioned by the increase to the staff which was rendered necessary when they undertook the service.

111. *Chairman*.] When you say that "through the insufficiency of the vote" this sum came in course of payment in the following year, you mean that it was due, but that there was not money for it?—There was not money for it.

112. Mr. *Stansfeld*.] The real question raised at the last meeting of the Committee was this. Explanation No. 2 is to this effect, that certain payments properly chargeable to 1867-8, came in course of payment in 1868-9, because of the insufficiency of the Vote for 1867-8, but if you look at the top of this vote you will find it stated that "the unexpended balance shown on the account of the Vote 'Royal Parks,' for the year ended 31st March 1868, has been surrendered," therefore, that vote was not insufficient?—The balance surrendered amounted to 523*l*., and the charge we had to meet was 2,700*l*.; there is considerable difficulty about these Park Votes, inasmuch as a great portion of the expenditure is in the hands of sub-accountants, and it is impossible to know what the balance on the vote is, until the accounts of the sub-accountants have been rendered after the close of the financial year, and examined.

113. *Chairman*.] That will account for a sum of money being surrendered?—I give that explanation as showing that we cannot tell what our balance will be.

114. But that does not meet the point, of why the payment was postponed; this payment ought to have been charged against the Vote for 1867-8?—The balance on that year was only 500*l*.

115. Mr. *Stansfeld*.] But you did not know the balance at that time?—No, not exactly.

116. Why did you not make the charge then?—We knew we had run our vote pretty short, and we suspected that there was no balance at all.

117. Were those accounts sent in, and if you had a sufficient balance, could you practically have paid them within the year?—Yes.

118. (To Mr. *Foster*.) Then I apprehend our criticism upon this note must be that this explanation is not quite accurate, as I understand the matter?—It is an accurate explanation; but what has been done is wrong in principle.

119. *Chairman*.] It ought to have been charged as a deficit upon the account of last year's vote?—It ought to have been paid, and charged against that year's vote.

120. Mr. *Stansfeld* (to Mr. *Russell*).] The first question is, ought it to have been paid; did you get the accounts in in time to pay them?—Yes; I apprehend that we had these accounts, certainly.

121. The reason you did not pay them was because you apprehended a deficiency?—Yes.

122. Mr. *Sclater-Booth*.] That is to say, you apprehended a deficiency upon the whole vote?—Yes; upon the whole vote for the parks. We apprehended that if these accounts were paid, there would be a deficiency upon the whole vote.

123. *Chairman* (to Mr. *Foster*).] How could the Works Department have paid this amount?—They should have made the payment; they should first have reported it to the Treasury for authority to pay a sum in excess of the vote.

124. Then it would have come in course of payment in the year, being voted as an excess?—Yes; the money would have been advanced out of the Civil Contingencies Fund to meet the excess, until the Excess Vote was taken.

125. Mr. *Candlish*.] I think there is another irregularity. I understand the fact to be that embarrassment results in balancing these accounts from the difficulty you have in getting the accounts from the spending agencies, whoever they are?—Yes, sometimes.

126. *Chairman*.] Supposing the department had applied to the Treasury for authority to pay this money, out of what vote should it have come?—We should have advanced the amount deficient on the vote out of the Civil Contingencies Fund.

127. And then the expenditure should have been charged against the vote as an excess?—Yes.

128. And a vote should have been taken afterwards for that excess?—An excess vote would have been taken later.

129. In case the Civil Contingencies Fund did not suffice, I suppose the vote would have been paid out of the General Fund at the disposal of the department for other votes?—We should have had to pay it out of other balances.

130. Trusting to Parliament to vote the money?—Yes.

131. Mr. *Pollard-Urquhart*.] When a deficiency arises upon any particular vote, is the excess required taken out of the Civil Contingencies Fund before it is voted by Parliament as an excess?—The rule is, that the excess of expenditure would be advanced out of the Civil Contingencies Fund, and an excess vote would be subsequently taken, and the Civil Contingencies Fund would be repaid the amount it had advanced.

132. Mr. *Stansfeld*.] In other words, an excess vote is always for past expenditure already incurred?—Yes.

133. *Chairman*.] And supposing that the Civil Contingencies Fund is exhausted, and the Treasury authorise a payment out of the general balance in the Exchequer, they run the risk of Parliament not afterwards sanctioning it by an excess vote?—That is the case.

Mr. *Foster.*
Mr. *Russell.*
Mr. *Anderson.*
Mr. *Ryan.*

4 May 1870.

134. In fact it is done upon the responsibility of the Treasury?—Yes, upon the Treasury responsibility.

135. Mr. *Pollard-Urquhart.*] Is not that the case to a certain extent even when it passes through the Civil Contingencies Fund to begin with?—That is what the Civil Contingencies Fund is for.

136. *Chairman.*] The Civil Contingencies Fund is placed at the disposal of the Treasury by Parliament in order to meet unforeseen expenditure?—Yes, that is the object of the Fund; a sum paid under the authority of the Treasury, directly out of the Civil Contingencies Fund, would not appear in the Appropriation Account as a charge against the vote until the Excess Vote was taken.

137. Mr. *Pollard-Urquhart.*] Then how would it have appeared in the Appropriation Account?—The expenditure would not have appeared in the Appropriation Account at all, and I think that that is a point which requires consideration. My own view is, that it is far better to authorise the Treasury to sanction an excess of a vote rather than to charge it upon the Civil Contingencies Fund, because under the former system the Appropriation Account would not show that the expenditure had been exceeded; it is concealed, you may say, in the Civil Contingencies Fund, whereas, if the Treasury had authority to sanction an excess of expenditure, it would appear in the Cash Account and upon the Appropriation Account as an excess of expenditure.

138. Mr. *Sclater-Booth.*] That would be in analogy with the power the Treasury has of sanctioning excesses upon the the Army and Navy Votes?—Yes.

139. And it would have this advantage, that the voting of excesses by the House would be uniform as between the three branches of the public service?—Yes.

140. *Chairman.*] Then supposing that a vote has been exceeded, in no case would that excess appear upon the Appropriation Account?—Not if it has been charged directly upon the Civil Contingencies Fund.

141. But supposing the Civil Contingencies Fund has not been able to meet it?—Then it must be left as an excess of expenditure upon the vote, and would appear in the Appropriation Account as exceeding the vote.

On Vote 11.

142. Mr. *Stansfeld.*] If you will turn to page 21 you will see that there is a deficiency to be voted on Vote 11 of 321 *l.* 6 *s.* 4 *d.*?—Yes.

143. *Chairman.*] In that case that was not provided for out of the Civil Contingencies?—Not directly, but as an advance.

144. Mr. *Stansfeld.*] Then upon these Appropriation Accounts, which we have before us, whenever we find a "deficiency to be voted," it means that more than the grant has been expended, and charged directly against the vote?—Yes.

145. And in none of those cases has the excess come out of the Civil Contingencies?—Not directly. In most cases the plan now pursued is to make an advance from Civil Contingencies to the credit of the vote, so as to show the total expenditure upon the vote.

146. *Chairman.*] So that, even when the Treasury had authorised an advance from the Civil Contingencies, the expenditure would be shown against the vote?—Yes.

147. The vote being augmented by the advance from the Civil Contingencies Fund?—Yes, practically.

148. Should that appear in the Appropriation Account?—The advance from the Civil Contingencies would not appear in the Appropriation Account.

149. Mr. *Sclater-Booth.*] It would appear as an excess upon the vote?—Yes.

150. *Chairman.*] But when the Civil Contingencies Fund sufficed to cover it, and an advance from the Civil Contingencies Fund had been authorised by the Treasury, there would be no need to take a vote for the excesses?—Yes, there would; we should recoup the Civil Contingencies Fund out of the Excess Vote.

151. Mr. *Seely.*] It is simply this, that the Treasury lend the department so much money to get it back when Parliament votes it?—Yes.

152. *Chairman.*] Then we may say that in any case the expenditure would have appeared against the vote?—In almost all cases. There are cases where expenditure is met out of the Civil Contingencies Fund, and not charged against the vote till a subsequent year.

153. That is where there is no vote applicable to a service, and the Treasury has sanctioned an advance out of the Civil Contingencies Fund, then it could not appear against any vote; but where there is a vote applicable to the service, if that vote has been exceeded, and the money has been advanced from the Civil Contingencies Fund, then the excess would appear as an excess upon the vote, would it not?—Yes, as a general rule.

154. Mr. *Stansfeld.*] We wish to know positively, whether every case of a deficiency upon a vote appears upon these Appropriation Accounts with the exact amount of the deficiency; can you say that it does so?—It does generally, but I should not like to say that there was no exception.

155. (To Mr. *Ryan.*) Can you answer the question I have just put to Mr. Foster?—Yes, certainly; the excess will always be shown against the vote; any advances out of the Civil Contingencies Fund which ultimately remain as charges upon the Civil Contingencies are for services not provided for in the votes.

156. We may rely upon these Appropriation Accounts, which have undergone your revision, as showing every deficiency which has occurred upon every vote?—Yes.

157. Mr. *Sclater-Booth.*] The deficiency appears upon the face of the Appropriation Account, whether it has been met out of the Civil Contingencies Fund or not?—Yes; whether the cash has been advanced from the Civil Contingencies or not.

158. *Chairman* (to Mr. *Foster*).] The system of Civil Contingencies Fund was meant, was it not, as a restriction upon the power of the Treasury with regard to authorising excesses?—Yes, and to meet unforeseen charges not falling within the terms of any vote.

159. The intention of it was, that that power should be exercised within certain limits?—Yes.

160. Then if you give the Treasury power to sanction excesses without reference to any limit, would not that, practically, enable the Treasury to evade the Appropriation Act?—I think you might impose a limit, but you need not compel the double process to be gone through of transferring money from the Civil Contingencies Fund, and

Mr. *Foster.*
Mr. *Russell.*
Mr. *Anderson.*
Mr. *Ryan.*

4 May 1870.

and retransferring it again to that Fund when an excess vote is granted by Parliament.

161. Does not the power of the Treasury to sanction a transfer from one vote to another in the case of the Army and Navy, occasion very great laxity of practice in those departments?—I think that is chiefly because the Treasury has not sufficient control over those departments, whereas it has full control, or much fuller control, over the Civil Departments.

162. Is it not the case that sums of a very large amount indeed are transferred from the account of one vote to the account of another in the case of the Navy?—No doubt that takes place in the Army and Navy Votes.

163. And it receives the sanction of the Treasury, so that money voted for one purpose to a very large amount, is expended for another purpose?—Yes, I think that is the case with respect to the votes of those two departments.

164. Do you not think that if the same principle were applied to the Votes of the Civil Service, the same laxity would arise?—I think the control of the Treasury over the Civil Departments is so much greater than the control of the Treasury over the Army and Navy Departments, that that danger would not arise.

165. Mr. *Sclater-Booth.*] Besides, as a matter of fact, you frequently find it necessary to recoup the Civil Contingencies Fund on account, do you not?—Yes; that has been necessary.

166. That is to say, before you recoup the Civil Contingencies Fund in a regular way you find it necessary to replenish that fund on account?—We take votes on account in order to replenish the Civil Contingencies Fund.

167. Therefore, under the present arrangement, it is impossible to limit the power of the Treasury to a fixed sum?—We have the power of replenishing the Civil Contingencies Fund, when necessary, in the way you refer to.

168. *Chairman.*] At the same time it does impose a certain check upon the Treasury?—I think the check is extremely small, and it complicates the accounts by transfers and retransfers to such an extent that it becomes almost a formal matter. Month by month the Paymaster General reports that certain excesses have taken place upon votes, and requests a transfer from the Civil Contingencies Fund to meet them. The expenditure has already taken place, and the transfer must be made.

169. (To Mr. *Ryan.*) Have you considered this point at all?—No, I am not prepared to express an opinion upon it.

170. (To Mr. *Anderson.*) What is your opinion upon the question as to whether the Treasury should have power to authorise excesses without reference to the Civil Contingencies Fund, in the case of the Civil Service Votes?—Formerly before the creation of the Civil Contingencies Fund, there was an annual vote taken for Civil Contingencies, generally amounting to 100,000*l.*, without any specification of the manner in which it was to be applied. It was in the nature of a vote of credit for services which could not be foreseen. This annual vote was not intended to be used for the purpose of paying excesses upon the ordinary grants of Parliament. I believe the suggestion to discontinue the annual vote, and to create a permanent fund, was made by me in my evidence before the Public Accounts Committee of 1861; the Committee thought that it would be very desirable to get rid of that annual vote, and to grant a fixed sum as a fund from which to defray certain expenditure which it was impossible to foresee, and that a grant of 120,000*l.* would be sufficient for that purpose; but I do not remember that it was intended to meet the excesses upon all the votes for the Civil Service, because it appears to be insufficient for that purpose. If the Committee will look at Vote 5, under letter H., on page 10, they will find in the expenditure for lighthouses, two items, for which no vote whatever was taken. In that case the Treasury authorised the money to be paid, not out of the Civil Contingencies Fund, but out of the savings on other items of that vote. I think that was right.

171. That was justified by the terms of the Appropriation Act, was it not?—I do not think that this was contrary to the spirit of the Appropriation Act, although there was no special provision for the work in the Estimate.

172. There was a provision made for "Lighthouses Abroad" generally?—There was a provision made for "Lighthouses Abroad," as there is in this case a provision for "Royal Parks;" the cases are similar in that respect; it is an excess of payment under one sub-head provided for by surpluses under other sub-heads.

173. There is this difference, that as regards the lighthouses there was a vote to pay for it, only the item had not been mentioned in the Estimate, but in the case of the parks the item had been mentioned in the Estimates, but there was not money to cover the expenditure?—I cannot say that; on Vote 9, in the account before the Committee, not only has the sum for the police been paid out of the vote, but there was a surplus besides.

174. On the contrary, it appears that in the case of the parks there was a deficiency in 1867-68?—I have not got that account before me, therefore I cannot say how that may be.

175. It appears, by a note to Vote 9, that there was a deficiency on that vote; but in the case of Vote 5 for 1868-69, there was no deficiency in the Estimate, only the money was applied to more purposes than were mentioned in the Estimate?—Not having the accounts before me, I cannot say.

176. What do you say to giving power to the Treasury to allow an excess of expenditure without reference to the Civil Contingencies Fund?—I think the proper rule to lay down would be that all expenditure should appear against the vote to which the service relates; and that the Civil Contingencies Fund should only be used for urgent but unforeseen expenditure; I believe that that was the original intention of that vote.

177. Apart from that, would you give to the Treasury the power to sanction an increase of expenditure under the head of any vote, if a saving could be effected under the head of any other vote?—That has never been done with regard to the Civil Service Votes.

178. It is done with regard to the Army and Navy Votes?—Yes, it is necessary with regard to the Army and Navy, where the expenditure is incurred all over the world, and where it is impossible to foresee in many cases large items of expenditure, which are of a very uncertain character and liable to great fluctuations. It is necessary that some such power should be exercised in the case of these great departments. But the Committee will find this subject fully discussed in the evidence given by Mr. Gladstone,

Mr. *Foster.*
Mr. *Russell.*
Mr. *Anderson.*
4 May 1870.

Sir George Lewis, and others, before the Public Accounts Committee in 1862. (*See* the Appendix to the 3rd Report of the Committee.)

179. What do you think of the policy of extending that power to the Civil Services?—I see no necessity for extending it to the Civil Services, because they are differently circumstanced. They are nearly all conducted at home, and they are more under the control of the different departments than the varying expenditure in the Naval and Military Services is, and, moreover, the expenditure is known sufficiently early to enable the departments to apply to Parliament for a vote for it.

180. And supposing any unforeseen necessity arises for further expenditure, there is a power of presenting a Supplementary Estimate?—That power exists for all the Services, but with regard to the excess on the Army and Navy Votes, that frequently occurs in consequence of an expenditure incurred abroad, which it is impossible to foresee, and the knowledge of which you do not acquire in time to go to Parliament for more money.

181. Is it the case that abuses sometimes arise in consequence of there being that power in the case of the Army and Navy Votes?—I do not recollect any abuses. There may be large excesses sometimes, but generally they are sufficiently justified, as far as my experience goes.

182. Mr. *Egerton* (to Mr. *Foster*).] I did not gather from Mr. Anderson that he had paid much attention to your point, that it makes no difference as regards the responsibility of the department whether the excess is dealt with as at present or in the way you propose?—I do not think that it either increases the responsibility or diminishes it.

183. Mr. *Seely*.] Supposing the Treasury were not provided with the power of meeting any excess of expenditure, say by the Department of Woods and Forests, out of the Civil Contingencies Fund, and the creditors of that department wanted their money, how would they be paid?—Of course the Chief Commissioner would have incurred the expenditure upon his own responsibility, and if the Treasury had no power of authorising an excess, I suppose the creditor would step in and put in an execution.

184. Mr. *Pollard-Urquhart* (to Mr. *Anderson*).] What is your opinion with regard to the point adverted to by Mr. Foster just now, as to those excesses which, if I understand it rightly, are paid first out of the Civil Contingencies, and afterwards out of money re-voted by Parliament; do you approve of their being first paid out of Civil Contingencies Fund, or do you think they had better be paid out of the Exchequer at first, without coming out of the Civil Contingencies Fund at all?—I have already explained that I think the Civil Contingencies Fund was intended to meet unforeseen expenditure.

185. *Chairman*.] What you said, I think, was this; you thought that the Civil Contingencies Fund ought not to be looked to at all with regard to excesses upon votes, and that it should only be looked to with regard to unforeseen services?—I think that it should only be looked to for unforeseen services during such period as the departments cannot go to Parliament to obtain the necessary votes for them.

186. And that no excesses upon votes should come out of it?—Yes; except those I have already adverted to.

187. What do you think ought to be done in case there is an excess upon a vote; ought there to be a Supplementary Estimate at once presented to Parliament, if Parliament is sitting, or ought the Treasury to have power to authorise the payment?—I think the Treasury should have full power to authorise savings within the vote to be so applied.

188. Supposing there is an excess upon the whole vote?—The expenditure upon these Home Votes is known long before it comes forward for payment; it is authorised by the department through which the expenditure is incurred, and when the authority is given it is known to the department that that expenditure will come forward; that is the time to make provision for it; not when the bill comes in; if they authorise the performance of a work, they know that they should make provision for it.

189. Mr. *Stansfeld*.] How should they make provision for it?—They should make provision for it by applying to Parliament for the money; if it is a work of very urgent necessity and Parliament is not sitting, of course they must come then upon the Civil Contingencies Fund; but I do not know that, with rare exceptions, there are works of that indispensable necessity arising in the Civil Departments which occur in the Army and Navy.

190. Supposing Parliament were not sitting, what would be done?—If the work were an indispensable work, you would then defray the expense of it out of the Civil Contingencies Fund; you must have recourse to that, if you have no vote that you can go to.

191. I thought I understood you to object to the meeting of these excesses out of the Civil Contingencies Fund?—I think you ought not to do so, but if a necessity arises which you cannot possibly overcome, you must pay it out of something, and you have nothing else that you can pay it out of, and therefore you must go to the Civil Contingencies Fund; but those cases are very few.

192. Then, if I now correctly apprehend your meaning, you think that the number of cases in which the Treasury is in the habit of sanctioning excesses might be reduced; but that wherever that sanction is given, the excess ought to be met out of the Civil Contingencies Fund?—No; I think, in the first place, that an excess should not be authorised if it goes beyond the provision made by Parliament for the service; I think that as a rule a department has no right to incur expenditure which has not been sanctioned by Parliament; and that being the rule we have only to deal with exceptions, and those exceptions must be cases of extreme urgency where any postponement would be extremely detrimental to the public service.

193. Suppose one of those cases to occur, do you think that it would be better that the department on Treasury sanction should simply create an excess upon the vote by charging the vote directly with the extra payment, or that the department should be enabled to meet it by an advance from the Civil Contingencies?—The vote should bear the expense so far as it is sufficient for that purpose; if there is an excess beyond the total vote, you have no other fund to go to but the Civil Contingencies; therefore necessity becomes the law in that case.

194. Is that quite so; do not cases occur in which a vote is positively exceeded; cases in which

which nothing remains to the credit of the vote, and the vote is overdrawn?—There are many cases in these accounts where the vote is overdrawn; take for example, printing and stationery; there 13,794 *l.* were paid in excess of the grant.

195. The question appears at this moment to be rather this: we will assume that a case has arisen in which the Treasury ought to sanction an excess upon a given vote of Parliament, and the question is merely as to the method of meeting that excess expenditure; as I understand Mr. Foster's suggestion, he thinks that it would be better for the Treasury simply to sanction that excess, and for the vote to be overdrawn, than to go through the form of replenishing the vote to that amount by a draft upon the Civil Contingencies; do you agree with that view of Mr. Foster's?—Overdrawing a vote means the misappropriation of another vote in order to provide the funds; therefore I think it would be better in that case not to do that, but to borrow from the Civil Contingencies Fund. But I beg again to refer the Committee to the evidence on this subject before the Committee of 1862, in which the question was discussed with reference to the Army and Navy Services.

196. *Chairman* (to Mr. *Foster*).] But the fact that the Treasury has no such power obliges the Government to present a Supplementary Estimate, in case they have exceeded their expenditure where the Civil Contingencies Fund is not sufficient to cover the amount, or to run a very serious risk by taking upon themselves the responsibility of sanctioning expenditure beyond the amount authorised by Parliament?—Yes; but then there are many cases where a supplementary vote could not be obtained in time; take, for instance, the vote for police in counties and boroughs, it is quite out of the control of the Treasury to say what the exact expenditure for that purpose shall be. The estimate is made as nearly as possible according to the information the Treasury has at the beginning of the year. These accounts come in after November, and they are being examined up to the beginning of March; they are very large accounts, and whatever they come to, the Treasury is bound to pay a quarter of the charge. At the end of March, on the completion of the accounts, it is found that the police charge in counties and boroughs has been largely increased, and as is the case in this year's accounts, the expenditure is 30,000 *l.* in excess of the vote.

197. You could make a clear distinction between that class of cases, could you not, where the Treasury have no option, and where it is not a matter of discretion but a matter of account?—There would be a great many exceptions to any rule that might be laid down. In many cases the expenditure is going on abroad, and is met by bills drawn upon the Treasury, which have to be accepted, and have to be paid. It would not do to refuse the payment of a bill for 10,000 *l.* drawn by Major Crossman, in China, because the vote had been exceeded; and the same thing applies to much other expenditure, on account of convicts, for instance, or Colonial expenditure.

198. Supposing your suggestion were adopted, it would be easy to limit it to a certain class of cases?—I think limits might be placed, not only to the class of cases but to the amount.

199. Mr. *Sclater-Booth.*] You said that before, I think?—Yes.

200. Lord *Frederick Cavendish.*] If that suggestion was adopted, Parliament would never vote the money at all, would it?—Parliament would vote the excess in one case just as in the other. The only difference is, that you would save the two intermediate steps of the money being taken out of the Civil Contingencies Fund to be placed to the credit of the vote, and then, after the excess vote has been granted by Parliament, that money being replaced to the Civil Contingencies Fund. You would save those two processes, the use of which I do not see, except as a control upon the Treasury; and that control could, in my opinion, be exercised in a more simple manner.

201. *Chairman.*] What control would there be upon the Treasury, further than the apprehension of Parliament taking a rather serious view of what the Treasury might have done?—I think you might lay down a rule that the Treasury should not be authorised to sanction any excess beyond a certain per-centage of the vote; say 10 per cent.

202. Would it not be found, if that were the case, that the departments would always go up to the maximum, trusting to the Treasury to sanction it?—I think the Treasury sets itself against any excess of the vote as much as it can, wherever it is possible to resist expenditure.

203. Is it not the case in the Army and Navy, with regard to the Navy particularly, that the Admiralty exceed the expenditure sanctioned by Parliament on one vote, trusting to the Treasury to allow them to transfer the amount from another vote, although there is no real occasion for them to do it?—Upon the same plea, I think, they are quite ready to exceed their total vote.

204. That is because they have calculated, and they think that they have a saving upon one vote, and accordingly they ask for authority for overspending upon another vote, and then it turns out that they have not the saving upon the first vote which they had expected, and the consequence is that they go beyond the aggregate vote; that is how it happens, is it not?—Yes; that is generally the course they take; but I think the comparison with the Army and Navy hardly applies to the Civil Service, because the Treasury have a much greater power of control over the Civil Service.

205. Does not that arise from the fact that the Civil Departments have not the same power given them by Parliament to transfer money from one vote to another?—I think not; I think the Treasury, in all cases where they think expenditure is for the good of the public service, have authorised it, even where it has been in excess of the vote.

206. Mr. *Sclater-Booth.*] If no such power was admitted, would it not be a necessary consequence that all the departments would overestimate?—I think that would be very much the case.

207. Mr. *Candlish.*] Would not this margin of 10 per cent. that you suggest be a sort of standing invitation to all the departments to exceed their votes to that extent?—I am not prepared to say that that would be the best check to place upon the power of the Treasury; but I think that the power the Treasury now exercises is much the same in the one case as it would be in the other, and that the double process of transfer and retransfer might be saved by making the alteration.

208. Mr. *Sclater-Booth.*] I wish to put one question to you with respect to the arrangements

Mr. *Foster.*
Mr. *Russell.*
Mr. *Anderson.*

4 May 1870.

of this Committee; as the matter now stands, it is considered necessary by the Treasury that the excesses upon the Civil Service Estimates shall be voted by Parliament within the financial year, before the 31st March, whereas the accounts have not been investigated by this Committee until a later period of the Session; if instead of an actual vote by the House being necessary the Treasury had the power, I do not say of transferring from one vote to another, but of authorising the payment from the balances in the Paymaster General's hands to meet the excesses in question, in that case a vote of the House might be taken in the month of June or July, as is done in the case of the Army and Navy, the words of which run, I think, "that the Treasury having authorised these appropriations the House do concur," or "do assent to," or "do sanction the appropriation authorised by the Treasury"?—I think there would be a very great advantage in that, inasmuch as it would give full time to the Committee to investigate the matter, and ask questions upon it before the House voted the money; now we have to press the House to vote the money in order to replenish the Civil Contingencies Fund.

209. Mr. *Stansfeld.*] Do I understand you rightly, as saying that the reason for taking Excess Votes before the end of the financial year, if possible, is to replenish the Civil Contingencies Fund?—I think that is the main advantage; it has been the practice, and one does not like to depart from a practice that has always been pursued.

210. But if you over-drew these various accounts, instead of feeding them from the Civil Contingencies Fund, you would have to replenish them in just the same way?—No; we should meet them out of balances upon other funds until Parliament voted the excesses.

211. Would there be no inconvenience with reference to the closing of the accounts during the financial year, in postponing your excess votes in that way?—None whatever; the Appropriation Account shows what the excess is, and it remains until it is voted.

212. Mr. *Pollard-Urquhart.*] Do you happen to know whether the expenses incurred in consequence of the salary and travelling expenses of Mr. Pulman on Vote 3, which were paid in the first instance out of the Civil Contingencies Fund, were amongst the excesses voted by Parliament this year?—No, they would not become excesses; they fell under the vote for last year, in which there was sufficient money to meet that expenditure; they fell under the vote for 1869-70.

213. Mr. *Sclater-Booth.*] That expenditure was voted as an excess, and appeared in the Civil Contingencies Vote a year ago, did it not?—No; it was charged as a payment out of the vote for 1869-70.

214. It was repaid to the Civil Contingencies Fund, from which it had been previously advanced, was it not?—When it was charged against the vote for 1869-70 it was repaid to the Civil Contingencies.

215. Therefore, I say, it appeared in the Civil Contingencies Vote, not of this year, but of last March twelvemonths?—Yes.

216. Mr. *Pollard-Urquhart.*] Why should a different course have been followed with regard to that small excess from that which is followed with regard to other excesses, which you tell us are all defrayed in the first instance out of the Civil Contingencies Fund?—On the ground I stated, namely, that it was thought that Mr. Pulman being sent out as a Treasury officer to deal with a Treasury Vote, that expenditure would fairly fall against the Treasury Vote when it was granted.

217. Mr. *Candlish* (to Mr. *Russell*).] We have it in evidence that the Accounts of the Royal Parks and Pleasure Gardens are embarrassed by the failure of the subordinates to render their accounts in due time, and that irregularity results from it. Can you give the Committee any further explanation upon that point?—I think I have been misunderstood. What I was said was this. Inasmuch as a considerable portion of the expenditure upon the Royal Parks is in the hands of sub-accountants, it is impossible to determine our balance until after the close of the financial year, when the sub-accountants' accounts have been rendered and examined. I only made that observation with reference to our ignorance of the amount of the balance available at the close of the financial year.

218. Can you make any suggestion as to an arrangement by which the incident you reported to us could be avoided, namely, that you surrendered 500 *l.* odd when you were 2,700 *l.* in debt?—No; I am not prepared to make any suggestion.

219. *Chairman.*] You asked the persons to whom the money was payable to forbear claiming it until you had money to pay them with, did you?—No. The Police Account was sent into us for payment, and knowing that we had been spending the whole of our vote under this particular head, we knew that we had no money available for the purpose of paying the Police Account, and therefore we were obliged to carry it forward to the next year.

220. Mr. *Candlish.*] Whilst doing that you carried forward 500 *l.* which was unexpended?—Yes; that was made up partly of a sum of 400 *l.*, which was a deposit of money made by a contractor as security for certain works which he executed, therefore, it was not available for the purpose, but we might otherwise have availed ourselves of the 500 *l.* in payment of the 2,700 *l.* or whatever the extra sum might be. I wish the Committee to understand that what I said was not meant as a reflection upon the sub-accountants at all, but only to show that until we had got their accounts in and examined them we could not tell what the balance was.

221. There is no avoidable delay then resulting in any embarrassment to you?—No, it merely occurs in the case of the parks where there are the tradesmen's bills to be got in and examined.

222. Mr. *Pollard-Urquhart* (to Mr. *Russell*).] There is a small excess upon the grant for the British Embassy House at Paris, part of which arose from payment of 75 guineas to Her Majesty's Consul in Paris for services rendered to the Department of Works, for which no provision was made; should you not call it irregular to make a payment to a gentleman for which no provision was made by Parliament and which was without any sanction whatever?—The Consul at Paris has been in the habit of undertaking gratuitously, so to speak, for our office (it not being his own proper business) the payment of tradesmen's bills; that is to say, he draws upon the Paymaster General for the payment of those bills, and the account goes to the Department of Works; there has been much correspondence about these bills. It has been the practice for some

some years past to give him a fee of about 25 *l.* a-year, and that payment was made in 1859—1863, and again in 1868 for this service. It was considered that our clerk of the works was not a sufficiently responsible person to undertake this duty and the consul was asked to do it, but it is apart from his regular duties.

223. *Chairman.*] That was sanctioned by the Treasury?—Yes.

224. Mr. *Pollard-Urquhart.*] If it had been the custom of the department to give the consul a fee for these services rendered by him, might it not have seen estimated for?—Yes, I think it might.

225. Do you not think it should have been estimated for?—Yes, I think it would be desirable.

226. Lord *Frederick Cavendish.*] This was a fee for three years as I understand it?—Yes, this was for about three years. One can hardly say exactly what the amount is each year, but it is on the average about 25 *l.* a year.

227. Mr. *Candlish.*] Inasmuch as the payment was not urgent, might it not have been deferred until the following year, and then set out in the Estimates?—I suppose it might if necessary, but the amount was so small that it was perhaps hardly a case for that.

228. Mr. *Pollard-Urquhart.*] Would it not have been better to have said that the consul was entitled to a gratuity, and to have estimated for it in the following year if you expected to have to pay the gratuity, and you thought that the time had come when it might be fairly given to him; would it not have been better to have deferred the payment of it until the money had been voted by Parliament?—I do not think that the amount made it necessary that it should be postponed. The amount was a trifling one, and it had been the practice always to give it to him.

On Vote 21.

229. *Chairman.*] Had there been any previous estimate for Inverness in Vote 21?—No; I think that was the first estimate for Inverness.

230. Mr. *Stansfeld.*] There are certain savings, and the explanatory note says, "These savings arise generally from the full amount of the moiety due from this department on account of the respective court-houses not having been claimed by the Commissioners of Supply during the financial year." I think the Committee desire to have from you some explanation, if you can give any, of why the county surveyors do not send, or did not, in this instance, send in their claims within the financial year?—These sheriff court-houses in Scotland are vested in the Commissioners of Supply of the county under the 23 & 24 Vict. c. 79, and the clerks of supply are the officers who are entrusted with the duty of sending in those claims; they are not officers under our control and the service was new to them, and we had some difficulty at first in getting them to send in their accounts, but I think it will not occur again.

231. *Chairman.*] The same question arises about Inverness as arises about Dellamara, that a new item arises which was not in the estimate?—Yes.

232. Mr. *Pollard-Urquhart* (to Mr. *Anderson*).] Was your attention directed to the expenditure upon the Inverness court-house, which was not voted in the first instance by Parliament in Vote 21?—Yes.

233. Do you think that irregular?—I think not; Parliament in voting the total sum for these court-houses does not actually tie the Treasury down to these specific court-houses, and these specific sums; but the names of places in the Estimate are merely a general explanation of the manner in which they intend to appropriate it; there were funds upon the vote for the purpose of the works at Inverness, so that I think it was a justifiable course on the part of the Treasury to use these monies for that purpose, which the vote was intended to provide for though Inverness itself was not specially mentioned.

234. *Chairman* (to Mr. *Russell*).] Can you say whether there was any contract made in the year to which the vote applies?—A contract was made in the year to which the vote applies, but it was not made until it was too late in the year to make provision for it in the Estimates.

235. Mr. *Egerton.*] Do you know whether it was an erection of a court-house or an improvement?—No; my memory does not serve me as to that. I am right in saying that it was not foreseen at the time the estimate was framed; it was reported to the Treasury afterwards.

236. Mr. *Stansfeld* (to Mr. *Foster*).] Will you turn to page 32; you will find there an expenditure of 919 *l.* 17 *s.* 6 *d.* upon the court-house at Inverness, which did not appear upon the Estimate itself; I am right, am I not, in saying that application must have been made to the Treasury for that expenditure?—Yes, quite right.

Wednesday, 11*th May* 1870.

MEMBERS PRESENT:

Mr. Candlish.
Lord Frederick Cavendish.
Mr. Algernon Egerton.
Mr. Goldney.
Mr. Ward Hunt.
Mr. Pollard-Urquhart.
Mr. Sclater-Booth.
Mr. Seely.
Mr. Stansfeld.

THE RIGHT HONOURABLE GEORGE WARD HUNT, IN THE CHAIR.

MR. MORGAN HUGH FOSTER, C.B., and MR. VINCENT GRIFFITHS, called in; and Examined.

ON VOTE 22.

Mr. *Foster.*
Mr. *Griffiths.*
11 May 1870.

237. *Chairman* (to Mr. *Griffiths*).] WE see that there was an excess of expenditure over the grant by 3,802 *l.* 17 *s.* 3 *d.*, and there is an explanation given in a memorandum drawn up by you to the effect that "this excess has been occasioned by the Treasury having, since the vote was taken, authorised the giving contributions in respect of the expenditure, for the relief of the poor of the parishes of Plumpstead and Charlton;" was that in accordance with the practice at other places before this year?—Yes, it was in consequence of a new union being formed in 1868, called the Woolwich union, in which Plumstead and Charlton were placed; when they became parts of the Woolwich union, the property belonging to the Government in the Woolwich union was more than one-sixth of the rest, and then they became entitled under the Treasury rules to a contribution which they were not entitled to when they were in a union (Lewisham) which contained less Government property.

238. That was according to the rule upon which those Government contributions had been given before?—Yes.

239. The next explanation is, "and by the conversion also since the vote was taken of a large number of payments of rates into contributions by way of bounty;" how is it that the contribution by way of bounty exceeds the amount of the rates?—It does not exceed it, in point of fact, but, having been converted from a rate into a contribution, the contribution is brought upon the Contribution Vote, and therefore causes an excess upon the Contribution Vote; the sum voted for rates remains unexpended; the contribution is in fact less than the sum voted, but it is charged to a different vote.

240. What vote is it charged to?—It is paid when it is a contribution out of the Contribution Vote. It was paid, when it was supposed to be a rate, out of the Estimates of the various departments; the Army, the Navy, the Convict Prisons, the Customs, the Post Office, &c. If you will allow me to give you one instance, I think that will explain the change better than any other explanation. I will take the first that comes to hand, that under the Admiralty Office, in the Navy Votes, for example.

241. I understand that the change is not as regards the amount, but the change is by way of a transfer from the Votes in the Army and Navy Estimates to this Vote?—Quite so. There is a sum voted of 2,600 *l.* under "Admiralty Office," for rent, rates, and taxes upon the Admiralty Office, a great part being for rates and taxes. When inquiry came to be made into the subject it was found that this diversity of practice existed; that the sum paid for the Somerset House part of the Admiralty, was paid as a contribution, and was charged upon the Contribution Vote, but the sum paid for Whitehall was paid under quite a different character; it was treated as a rate and as a tax, and charged to the Admiralty Office Vote. Therefore, expenditure perfectly agreeing in character assumed in the Estimates different characters. And, in addition to that, it was found on inquiry that these expenditures were to some extent fictitious expenditures, and greatly in excess of what they ought correctly to be. If you will allow me just to follow out the instance I began with, it will give you a better idea of what was done than a general explanation. The sum voted there was 2,600 *l.* I made an inquiry into that case, and the facts were reported, which resulted in it appearing that the premises at Whitehall, which are occupied, with a trifling exception, purely as offices, were rated to the local rates at upwards of 5,000 *l.*; they were rated to land tax at over 3,000 *l.*; to the inhabited house duty at over 3,000 *l.*, and to property tax at over 3,500 *l.* All these payments of rates and taxes out of the Navy Votes were resting upon no legal authority whatever, and the taxes were improper payments; and, in consequence of the inquiry which was then made, these latter ceased; so that instead of requiring now 2,600 *l.*, perhaps about 1,500 *l.* will meet all that is proper to be paid. All the rest was, more or less, a fiction; a payment purporting to be a payment resting upon a legal claim, but not so resting in reality. As regards inhabited house duty and property tax, the Government were paying money out of one pocket into another, and paying clerks and collectors for doing the business, as well as encumbering the Estimates with a fictitious expenditure which swelled them improperly.

improperly. That explanation will apply to the whole of the Estimates.

242. Mr. *Sclater-Booth.*] You mean to say that you have been extending the legal claim of Government property to exemption from rates?—We have been inquiring into it, and putting it upon its right footing.

243. That is to say, you have been claiming exemption which had not previously been claimed?—It had not previously been claimed as regards that particular property, but the exemption had been allowed and never questioned as regards property standing in precisely the same category. What we did, however, was guarded by this limitation, that the exemption was never claimed to the prejudice of the parish. As regards taxes, it put a stop to the payment of everything like a Government tax, which was a useless proceeding.

244. The payment was not at all useless to the parish, surely?—It was withdrawn as a rate, there being no legal ground for the claim, but the parish received, by way of indemnity, an equivalent sum as bounty.

245. Was it precisely an equivalent sum; I thought you said it was only a moiety?—I said that the total sum paid had been largely diminished, because all the Government taxes had been rejected.

246. *Chairman.*] You eliminated that part of the charge which had reference to the Imperial taxation?—Yes.

247. And you kept that part of the charge which had reference to local taxation?—Yes.

248. But you converted the local charge into a payment by way of bounty instead of a payment by way of rate?—Yes, just so. Following out the idea you just now suggested, I would observe that when the payments are made by way of bounty, the matter is so much more in the hands of the Treasury that they are able to prevent an improper increase of the item. When it was left, as it used to be, to the departments to pay the claim as a rate, there was no one to check the claims satisfactorily, and in fact it was found that a great excess of charge by that means fell upon the departments.

249. Mr. *Sclater-Booth.*] If you are paying these particular parishes in the shape of bounty, the exact sum that you previously paid under the form of rates, you are paying them at a higher ratio than you are paying upon the other Government property which never paid the full rate, are you not?—Yes.

250. How can you justify that?—On the ground of its being a recent and indisputable loss. Where contributions are given on a lesser basis, it is because the parishes have not for a long period, perhaps never at any time, received any benefit from such property, such as some of the property at Woolwich, Greenwich, and Portsmouth, which was in the hands of the Crown before Queen Elizabeth's statute was passed, so that the parish never received any benefit from it. When the Treasury were endeavouring to do rough justice to the parishes in these cases, they did not feel it right to give a sum equivalent to what the rates would have amounted to; but when they were withdrawing anything which the parish had long enjoyed, they gave an equivalent, endeavouring by that means to preserve the *status quo.*

251. Mr. *Stansfeld.*] You mean an equivalent not only to the poor rate, but to all the rates of every description?—Yes, of every description; the exact sum, in fact, which the property previously yielded to the parish.

252. *Chairman.*] Does the amount vary from year to year?—It only varies to the extent of the rate in the pound; the assessment is not varied.

253. Will the contribution by way of bounty, in lieu of a payment by way of rate, vary according to the rate in the pound levied by the parish?—Yes, but there will be no increase of the rateable value. It is following the precedent of the Defence Act and other Acts.

254. Mr. *Pollard-Urquhart.*] Am I correct in understanding you, that you have this year for the first time eliminated sundry rates or taxes which were formerly paid to the Government?—The process had begun shortly before, but it did not get into work till the year to which this account relates.

255. In the year 1868-9?—Yes; that was when it began to get fairly into work.

256. There were sundry payments that used formerly to be made by you, and charged against this vote, which are not charged in this account; is that what I am to understand?—No, it is not quite so. The payments formerly were made by the departments of the Admiralty and the War Office, and so on, and they ceased to be made by those departments immediately upon their being converted into contributions, and then they were paid out of the Contribution Vote; that is the explanation of the increased charge on this vote. As regards the payment in respect of the property in the Woolwich Union, that was in consequence of a fresh parochial arrangement.

257. The Poor Law Board formed a new union?—Yes.

258. Mr. *Sclater-Booth.*] How long had those rates been paid without question?—From the very earliest times, I suppose.

259. And the parish authorities have consented to receive a bounty instead of the immemorial payment?—Yes; being perfectly aware that they have no ground upon which to insist upon the claim. The Navy Estimates, and those of other departments, still contain in nearly every case items for rates. It was attempted, at one time, to bring all those items together into one vote, so as to show the total expenditure for rates, but that has never been carried out, and the total expenditure for rates, which is greatly in excess of what is supposed, has consequently never been shown in one place.

260. Mr. *Stansfeld.*] Is it not the case that previously to the conversion of this rate payable on the Admiralty buildings at Whitehall out of the Admiralty Office Vote into a contribution, in lieu of rates payable out of the Rates Vote, there were, and there still are, many cases in which the contributions were made out of the Admiralty Vote for Admiralty property in lieu of rates?—Yes.

261. Therefore the present arrangement is not thoroughly logical and complete; in some cases, and, probably, from year to year, in more cases, rates are converted into contributions, and then the contributions are charged upon this vote, while the rates remaining payable in that sense are charged against the votes of the departments which have to pay them; that is so, is it not?—Yes.

Mr. *Foster.*
Mr. *Griffiths.*

11 May 1870.

262. Do you happen to have by you, or can you give us the figures of the amounts which are paid by the various departments for rates out of their own votes?—I have not. I have the Estimates here, which show they amount to very considerable sums. Perhaps the Committee will allow me to state them, very roughly indeed, as somewhere about 30,000 *l.* or 40,000 *l.* The Works pay about 14,000 *l.* a year; the Admiralty pay 4,000 *l.* or 5,000 *l.* a year. The War Department, whose property has been carefully examined (the question was taken up first with reference to that department), have had all the charges not resting on legal authority eliminated from their Estimates, and nothing now remains upon the Army Votes but the charges levied under the Defence Act of 1860 and some one or two other similar Acts of an older date. It was a principle, which it was hoped would have been generally adopted, that the Estimates of the Departments should provide for everything to which they were legally liable, and that everything that was paid by way of grace and bounty should be collected into one page, and brought into one vote, so as to show the total contributions for rates made by the Government.

263. There are still payments made nominally as rates by the Admiralty, for which they are not legally liable, are there not?—Yes; the sum is very large; it is the whole of the sum I mentioned, namely, 4,000 *l.* or 5,000 *l.*; it has been lessened very considerably, but it is still a very large amount.

264. (To Mr. *Foster.*) I think you have heard it just now remarked, that there is one disadvantage attendant upon the existence of this vote, that you do not see charged against the various departments the rates, or the contributions in lieu of rates, with which they ought, practically speaking, to be debited, if we wish to know their cost to the country; that is so, is it not?—Yes.

265. On the other hand, am I not correct in saying that the advantage which it was proposed to accomplish by bringing these contributions all under one vote, paying them out of one vote, and administering them under one department, was to obtain something like simplicity, uniformity, and economy of management, and that that object has been very much attained?—I think that the system of combining all the charges of a similar kind in one vote, undoubtedly leads to economy and superior control, and that, so far as it has gone, it has tended to that result in a very marked manner; but in the year 1869–70, the system was altered, and all the contributions on account of the Civil Departments were thrown back upon the Departmental Estimates, so that now the officer under the Treasury is examining and passing charges which will be paid and accounted for by departments that are not immediately under the control of the Treasury. At present, I believe, the estimates for rates on Government property contain no contributions except for Army and Navy Services; therefore the system, which I think would have worked extremely well, of combining all charges for rates under one vote has been abrogated, and I fear that this change will weaken the control over this expenditure.

266. *Chairman.*] Then what is the arrangement now in force?—The arrangement now in force is, that there is a vote, under the Civil Service Estimates, which contains charges for no other service except the Army and Navy. This seems to me to be a very undesirable anomaly.

267. What do you suggest as the right arrangement; do you suggest that this vote should be taken in the Army and Navy Estimates?—No. As the Public Works Department has charge of the supply of all coals, and conducts that service with economy; and as many other charges of a similar kind, such as stationery, are all under one vote, so I think it would in the same way be economical that there should be one vote for all rates, or contributions in lieu of rates, on Government property, and that it should be under the control of one department, who should apply the same rules and the same supervision to the rates, to whatever service or to whatever property they might relate.

268. Mr. *Stansfeld.*] Would you say that that should be so, if the question were as to the payment of rates to which the departments were found to be legally liable; or does your suggestion refer simply to the payment of contributions, that is to say, voluntary payments in lieu of rates?—I should be disposed to extend it to the utmost; I would place all rates or contributions in lieu of rates under one vote.

269. *Chairman.*] Do you think that that vote ought to be placed under the Civil Service Estimates?—Yes; I think the attempt to make each vote show the cost of the service is futile.

270. It might be shown, might it not, in the summary of the Army and Navy Estimates that such and such a sum, though taken upon the Civil Service Estimates, was properly chargeable to the Army and Navy Services?—I think that might easily be done by an explanatory statement.

271. Mr. *Goldney.*] It might be classified in this very statement that we have here, might it not?—Yes.

272. So that it might be apparent to anyone reading the Estimates what proportion of this sum was for Civil Service Department and what for the Army and Navy?—Yes.

273. And there might be a cross entry in the Army and Navy Estimates of a similar kind?—I would not enter it in the body of the Estimates; I would add it as an explanatory statement.

274. You would not put it down as an actual charge on the Army or the Navy Estimates?—No.

275. But you would give an explanatory statement here on the Civil Service Estimates, and a similar explanatory statement on the Army and Navy Estimates?—Yes; they should not affect the accounts, nor the control of the expenditure.

276. *Chairman.*] You would show it just as when a service is performed by the Admiralty authorities for the Army, that appears in an explanatory statement, so that the nett expenditure for the Navy is shown after deducting that service performed for the Army?—Yes.

277. In like manner with regard to this expenditure, a statement might appear on the Army and Navy Estimates that there ought to be added to the Army or Navy charge such and such a sum which is taken upon the Civil Service Vote?—Yes, I think that could be done; as regards the control of the expenditure, I think it is much better to have it under one vote, and to have it in the charge of one department.

278. Mr. *Stansfeld.*] Is it within your knowledge that the question of arriving at one principle in dealing with these payments, either rates or contributions in lieu of rates, has been under discussion in the Treasury of late?—It has not come

come to my knowledge since the late Secretary to the Treasury left.

279. Mr. *Sclater-Booth.*] I understand you to say, what is perfectly obvious, that it is futile to expect to get a complete separation of the charges applicable to the different services, unless you go into much greater detail even than this, because the Furniture Vote, for instance, the amount which is taken for the furniture of the public offices, and the Stationery Vote, will all have to be divided in the same manner if you want to show the charges of the Army, the Navy, and the Civil Services separately?—You would have to go into the greatest detail, and I believe that no amount of care would bring out the result correctly.

280. Mr. *Goldney* (to Mr. *Griffiths*).] With regard to the principle upon which the contributions were made; as I understood it from you, it was this: that on all new acquisitions of property from a certain date, you made a contribution in lieu of rates; but that on property which had been in the possession of the Crown for a long time, you did not make a contribution at all, because you thought the parish was not detrimented; that is the principle, is it not?—Yes; a contribution is made in every case where the acquisition of the property is recent; as regards the old property, a contribution is not given unless it bears a substantial proportion to the rest of the property in the parish.

281. Mr. *Pollard-Urquhart.*] Does this excess of 3,802 *l.* exceed the sum formerly paid by the Army and Navy Departments?—No, it is much less. The change has been in all cases attended with a saving.

282. *Chairman.*] But I understand that that is not a saving upon the rates, but a saving upon the vote, because the Imperial taxation is no longer paid?—It is a saving also upon the rates, because the superiority of the supervision prevents an improper increase in the charge. I saw a case the other day in which some property consisting of a flag-staff, boat-house, &c., had long been taxed at 64 *l.*; it was worth about 20 *l.*, it being no one's interest to watch over such a matter, and it not being within the range of Army and Navy officers' knowledge and duties, they are not able to check such irregularities, and the charge grows improperly.

283. Lord *Frederick Cavendish.*] It is stated at the head of this account, that "the unexpended balance of the Vote, 'Rates for Government Property,' for the year ended 31st March 1868, is still in the hands of the Commissioners of Works and Public Buildings;" how is it that that balance was not surrendered to the Exchequer?—This was the first year in which the account was intrusted to the charge of the Office of Works, and their want of familiarity with the account led to questions between them and the auditors, which kept the account open for a considerable time.

284. *Chairman.*] Has the sum been surrendered since?—It was surrendered on the 26th March, when they paid over 4,984 *l.*

285. On the 26th of March last?—Yes. The sum of 4,984 *l.* which they paid over, you will observe, exceeded the excess upon the subsequent year's vote, so that the two years' votes more than covered the two years' expenditure.

286. Mr. *Goldney.*] Does any officer take special charge of this rating in the same way as it is done in the case of the railway companies, or not?—I believe I am the only officer to whom such questions are referred; but at the present time the questions coming up for consideration are, in the majority of cases, not questions of rating so much as questions relative to the giving contributions by way of bounty; for, speaking generally, Government property is not rateable.

287. Then you are the officer for that special subject if any one applies to the Treasury about it?—Yes; my title is that of Inspector of Rates.

On Vote 23.

Mr. George Russell, called in; and further Examined.

288. *Chairman.*] With regard to the excess on the Vote for Maintenance and Repairs, the first explanation of this excess of 12,851 *l.* is, that it arises from "Large structural alterations at the Circulation Department of the General Post Office, for which 3,000 *l.* was voted in 1867-8, not having been commenced in sufficient time to admit of their being paid for out of the vote for that year:" and there is a second explanation, "Numerous alterations and re-arrangements, at the request of the Postmaster General, to meet the growing requirements of the Postal Service at the London District Post Offices, and Foreign Office of the General Office, for which no provision was made;" the Committee wish for an explanation why this excess of 3,000 *l.* was not estimated for; you will observe that the first explanation only accounts for 3,000 *l.* out of 12,000 *l.*?—This was the first year in which my department had charge of this vote, and the Estimate does not seem to have been framed sufficiently for the purpose. Apparently, the Postmaster General did not foresee what he required for those expenses, and I am afraid that that is very likely to happen very often with regard to Post Office buildings. So many of those works crop up in the course of the year, not having been foreseen, that we shall always have much difficulty in sufficiently providing for them.

289. Mr. *Stansfeld.*] Your remark would apply to the second explanation of the excess?—Yes, it applies to the explanation with regard to the growing requirements of the postal service.

290. If you had 3,000 *l.* voted in 1867-8, which was not spent, the question is, why, not having been spent, it was estimated for in 1868-9?—I am not in a position to tell you. We took the vote for the first time that year, and we only took the sums that were estimated for by the Postmaster General.

291. May we not very fairly assume (your memory does not enable you to say positively, but is it not likely) that the explanation would be this, that the estimate is sent in just before the end of the natural year for the financial year, which is to commence three months later, and that you can then only estimate and calculate, and you do not then know to a certainty how much you may be able to spend before the commencement of the new financial year?—Yes, that may

Mr. *Foster.*
Mr. *Russell.*

11 May 1870.

may very fairly be assumed. That remark would especially apply to estimates for buildings.

292. *Chairman.*] But it does not apply to Post Office buildings more than to any other building?—No.

293. Mr. *Goldney.*] All the estimates for the Post Office are estimates in detail, I think?—Yes, the estimates are made out in detail for each building.

294. I mean as regards the Post Office at Chichester, for example, or any other place, a certain sum is specified?—Yes; the detail is, however, only submitted in the case of new buildings.

Sir WILLIAM DUNBAR, Bart., called in; and Examined.

Sir *W. Dunbar.*

295. *Chairman.*] WITH respect to the excess on Vote 23, have you anything to add to what you have said in your Report at paragraph 20, printed at pages 291 and 292 of the Appropriation Accounts?—No; the Report contains all that I have to say upon this subject.

296. Mr. *Stansfeld* (to Mr. *Foster*).] You have the correspondence before you, and you have heard Sir William Dunbar does not wish to add anything to what is contained in his Report?—Yes.

297. Will you state the view which the Treasury took upon this subject, and which was expressed in the letters attached to the account?—I think the explanation is simply this, that the Treasury hold that the department which carries out the work should pay for it and account for it. The Inland Revenue Department has officers in all parts of England, Ireland, and Scotland; it is inconvenient for the Office of Works to conduct the repairs of those buildings, spread as they are all over the country. In London, and at certain other places, the Office of Works can very conveniently carry them out, and wherever the Office of Works can carry out repairs or works, it is much better to place them under their charge; consequently, the Treasury placed upon the Office of Works Vote a sum for the repairs of those buildings connected with the Inland Revenue, which it could conveniently superintend; but, as all over the country there are many offices connected with the Excise that the Board of Works cannot superintend, it is the best arrangement to throw the responsibility of the duty of accounting for the charges of repairs to those offices upon the Inland Revenue Department. Consequently, according to the view of the Treasury, there ought also to be a sum taken in the Inland Revenue Estimate to meet those repairs which could not be superintended by the Office of Works. By a misunderstanding in the preparation of the Estimates, knowing that 3,000 *l.* had been placed upon the Estimates of the Office of Works to meet repairs, the amount of 3,000 *l.*, which happened, merely accidentally, to be the same as in the Office of Works Estimate, was inadvertently struck out of the Inland Revenue Estimates. Thus, there was no amount taken on the Inland Revenue Office Vote to meet the repairs of their offices spread over the country. Under the power which the Treasury possesses of authorising expenditure, if it is within the meaning of the Vote, we authorised the re-insertion of the 3,000 *l.* which had been struck out of the Inland Revenue Vote, and allowed it to be spent by the Inland Revenue Department on buildings which the Office of Works could not well superintend.

298. *Chairman.*] I understand that, as an administrative question, you think it better that the Inland Revenue Department should order and supervise the repairs of certain Inland Revenue buildings without the intervention of the Office of Works?—That is necessary under the present arrangements.

299. That is a distinct question from that which we have before us. The question is, if that is done, should not there be a distinct vote for the purpose?—I think that there should be a distinct sub-head in the Inland Revenue Estimates.

300. And should you not have words of exclusion in the Vote which we have now under discussion, so as to show that a certain portion of these repairs should fall upon the Inland Revenue Vote, and not upon the Board of Works Vote?—I think it ought to have been more clearly stated; indeed, that appears from the fact that a misunderstanding has arisen.

301. We are not now upon the question of who ought to have charge of the expenditure, and account for the expenditure, but the question is upon the votes as granted by Parliament and appropriated under the Appropriation Act, which vote this expenditure is chargeable to for that particular year; will you turn to the Appropriation Act and show us how under the terms of the Vote for the Inland Revenue Department that expenditure is properly chargeable upon the Vote for the Inland Revenue?—I have not the Appropriation Act with me, but it appropriates a certain sum for the service of the Inland Revenue.

302. Mr. *Stansfeld.*] Our view on the one hand was that it would be incorrect to charge the Board of Works Vote with an expenditure incurred and superintended by the Inland Revenue itself, and for which the Board of Works had not provided, and that on the other hand, the Treasury having sanctioned that expenditure by the Inland Revenue Board, for which by omission no vote had been taken, it was quite in accordance with the usual practice to authorise the Inland Revenue to meet it out of savings on other sub-heads?—I have no doubt whatever that that is a correct view.

303. *Chairman.*] The question is whether that is in accordance with the terms of the Exchequer and Audit Act?—I have not a copy of that Act here, but I have no doubt that it is.

304. Mr. *Goldney.*] In the letter of the 6th November 1868, at page 293, the Inland Revenue Board say, "We find, however, that this sum, which has been omitted from the Inland Revenue Vote, has been added to that of the Department of Works; this transfer having been made without any communication with us;" you observe that they call it a "transfer"?—That was the misunderstanding, it was treated as a transfer, whereas it was not a transfer at all; that is how the misunderstanding arose.

305. *Chairman.*] The terms of Vote 23, "Post Office and Inland Revenue Buildings," would naturally suggest that all expenses on account of Inland Revenue buildings should be paid out of that vote, would they not?—I think that as that vote

vote is under the control of the Office of Works it would follow that expenditure which that office cannot control is not included.

306. The terms of that vote imply that the expenses of all Post Office and Inland Revenue buildings should be paid out of that vote; if you want to exclude any building expenditure you ought to exclude it in terms, ought you not?—I think it would be better to exclude it in terms, but I still do not think that the contrary inference would follow from its not having been so excluded; for instance, in the Army Vote you would see an item for rates, that would not mean all rates, it would mean rates which are under the control of the department controlling that vote.

307. Mr. *Stansfeld.*] In the year in which, as you told us, the vote of 3,000 *l.* for Inland Revenue buildings in the Inland Revenue Vote was omitted, was any vote taken for maintenance and repairs of Post Office buildings in the Post Office Vote?—No, I think not.

308. Mr. *Goldney.*] What I understand is this; it may be either wrong or right: this 3,000 *l.* was contained originally in the Inland Revenue Estimate, but was transferred from that to the Office of Works Estimate?—No, it was in error understood to have been a transfer.

309. Was it a transfer or not?—No.

310. It was not contained in the original Estimate?—It was contained in the original Estimate of the Inland Revenue Department, but it was not in the Estimate as passed by the House of Commons.

311. Having been there originally, what was done?—£. 3,000 had been inserted in the Office of Works Vote for Inland Revenue buildings under the control of the Office of Works, and this induced the officer who had charge of the Estimates, in error, to suppose that it was a transfer, and he struck it out of the Inland Revenue Vote.

312. It was not a transfer?—It was not a transfer.

313. It was originally in both Estimates?—Yes.

314. Mr. *Sclater-Booth.*] And it ought to have been in both?—Yes.

315. Mr. *Goldney.*] Therefore it was not, in fact, a transfer, as stated in the Inland Revenue Department's letter of the 6th of November, but it was only supposed to have been a transfer, and, therefore, was struck out of the Inland Revenue Estimate, where it ought to have remained?—Yes; I think if the two amounts had not happened accidentally to be the same, namely, 3,000 *l.*, that mistake would not have occurred.

316. *Chairman.*] The fact is this: the terms of Vote 23 embrace an expenditure which was sought to be paid out of the incidental expenses of the Inland Revenue Vote?—Not out of the incidental expenses; out of a sub-head for repairs.

317. According to the Report of the Inland Revenue Board they say this: "Under these circumstances we have no alternative but to ask your Lordships to give us authority to claim the amounts that may be disbursed during the present year for 'Maintenance of, and Repairs to Buildings, out of the Vote for Inland Revenue Services, as Incidental Expenses?'"—But that was not done. We sanctioned the re-insertion of the sub-head which had been struck out.

318. For the future?—No, in that year's account.

319. The case is this, that in the account there appears a sub-head which did not appear in the Estimate?—Exactly.

320. And under that sub-head you sanctioned their claiming the expenses of the maintenance and repairs of buildings which they had superintended?—Which they had superintended, and the expenditure for which they had controlled.

321. Mr. *Sclater-Booth.*] All that seems to be necessary is, that Vote 23 should be stated a little more fully, so as to show that the expenditure therein sanctioned is expenditure in certain localities where the Office of Works has authority?—Yes, exactly; it ought to be more distinct.

332. Mr. *Goldney.*] The Inland Revenue Department, in their letter of the 6th November 1868, say that they have had no intimation at all of the transfer?—That was because it was a mistake altogether.

323. Mr. *Stansfeld.*] There will be no difficulty in future in taking care that the heading of Vote 23 shall draw attention to the fact that it does not necessarily include all the maintenance and repair of Inland Revenue buildings?—It would be perfectly simple to do so.

324. *Chairman.*] But then you must also add something to the Vote of the Inland Revenue Department, to show that there are some expenses for buildings connected with that department which do not come under that vote?—It should be explained in both cases.

325. Then would come the question, how would the Exchequer and Audit Department know what expenses came against one vote, and what against the other?—I think it would be quite simple in the Vote for the Office of Works Department, to state those localities where that department superintends the expenditure; they would be only London, Edinburgh, Glasgow, and Dublin, I think.

326. Mr. *Stansfeld.*] No difficulty could arise. The Audit Office will have to audit certain accounts of the Board of Works for Inland Revenue buildings, and it will also have to audit certain accounts of the Inland Revenue Department for other buildings; but the accounts of the one department will be charged against the one vote, and the accounts of the other department will be charged against the other vote?—Whichever department spends the money will include the charge in the account against its vote.

327. Therefore there can be no confusion?—I think not.

328. *Chairman.*] Have you got the Treasury letter to the Inland Revenue Department with regard to what they were to account for. Treasury letters were sent to all the departments, stating what office was to account for what expenditure?—I have not got it, but it would not have gone into the sub-heads of the votes. It only mentioned the votes which they were to account for, it did not recapitulate any sub-heads.

329. But it was a new thing to take the Inland Revenue buildings upon the Office of Works Estimates, was it not?—My impression is that the Office of Works have in former years charged in their accounts for works done for the Inland Revenue, but I could not speak positively upon that point.

330. (To Mr. *Russell.*) Have the Office of Works, before the year 1868–9, charged in their accounts for the maintenance or repairs of Inland Revenue buildings?—No, this was the first time.

Mr. *Foster.*
Mr. *Russell.*
Sir *W. Dunbar.*
11 May 1870.

This expenditure, as I explained in a note at the foot of this account, was incurred on account of works done in rooms occupied by the Inland Revenue Department in post offices under the charge of the Office of Works. The Inland Revenue Department occupies in Edinburgh, in Glasgow, and in one or two other places, rooms in the post office. Our officers keep those post offices in repair and maintain them, and therefore we also keep in repair the Inland Revenue rooms so occupied, and this expenditure was incurred on that account.

331. Do you mean the expenditure represented by the figures 5,803 *l.* 14 *s.* 5 *d.*?—No, the expenditure represented by the figures 1,350 *l.* 13 *s.* 3 *d.* under the head of expenditure, at page 36 of the Appropriation Accounts.

332. When did your office first take charge of these post offices and Inland Revenue buildings?—We took charge of the post office buildings in the year referred to in these accounts, 1868–9.

333. And when that duty was thrown upon your office, you were instructed by the Treasury to account for that expenditure?—Yes.

334. (To Mr. *Foster.*) Then I want to have the letter produced that was written to the Commissioners of Inland Revenue, directing the charge to be made; I suppose that when the transfer was made to the Office of Works, there would be a letter to the Commissioners of Inland Revenue directing a charge to be made, and stating what the Office of Works would have to undertake which had formerly been under the charge of the Inland Revenue Board; that would be so, would it not?—I could not state positively; it may have been settled personally.

335. Mr. *Egerton* (to Mr. *Russell*).] Is there any letter at the Board of Works on the subject?—No; I think not.

336. *Chairman.*] What I want to know is, whether the Treasury Minute which sanctions this transfer, left anything to be done in connection with buildings by the Inland Revenue Board; if it did, it would be a ground of justification for the Treasury in sanctioning this payment to be made out of their vote. It does not affect the question whether it was right under the Appropriation Act, but it would justify the Treasury in allowing the expenditure to them, so far as the Treasury were concerned, irrespective of the terms of the Act. But if the Treasury took everything away from the Inland Revenue Department and threw it upon the Office of Works, then there seems to be no justification to the Treasury for allowing the Office of Works to claim any expenditure under their vote at all?—I think there may have been a communication by letter, but it may have been settled by discussing the matter personally.

337. Surely it would have been impossible, would it not, at the Treasury, that the controul of those buildings should be taken from the Inland Revenue and given to the Office of Works, without its being formally sanctioned by a Minute?—The insertion of the vote in the Estimate, and the passing of the Estimate, is a Treasury sanction, but I can ascertain whether there was a letter written or not.

Mr. Francis Alfred Hawker, called in; and Examined.

Mr. *Hawker.*

338. *Chairman.*] You are an inspector in the Audit Office, are you not?—I am.

339. What have you to say with regard to these two accounts?—Expenditure of a precisely similar nature has been paid out of the Inland Revenue Vote, and by the Board of Works.

340. When you say, of "an exactly similar nature," do you mean for the same buildings?—Yes, for the same buildings, in some cases.

341. Or do you mean similar expenditure, but for different buildings?—In one or two cases it has been expenditure for the same building, but generally of the same nature, for different buildings. It has been incurred by both departments in Edinburgh.

342. Can you give us an instance in which there has been an expenditure incurred by both departments upon the same building?—I have no recollection of an instance at this moment.

343. (To Mr. *Foster.*) Taking the facts as they have been given to us, that there has been similar expenditure in Edinburgh incurred by the two departments, that would be clearly wrong, would it not?—I think that it would be a bad arrangement. It is possible that the larger works have been placed in the hands of the Office of Works, but some minor works, which they did not think it worth while applying to the Board of Works to take in hand, may have been carried out under the superintendence of the chief officer of the Revenue Department.

344. If that were the case, supposing there were two votes applicable to expenditure on such buildings, the Audit Office could not possibly separate the charges and decide what was applicable to one vote and what to the other, could they?—The means which they would have of deciding what expenditure fell to the Board of Works and what to the Inland Revenue Department, would be by allowing the charge to the Department that did the work, paid for it, and produced the voucher.

345. Mr. *Stansfeld.*] With reference to the suggestion of a possible confusion of accounts, am I not right in saying that there is no possibility of confusion; that the accounts which are to be audited are the accounts of actual expenditure by each department for actual work performed by each?—Yes.

346. Therefore, there is no possibility of the same charge being made twice over?—No.

347. *Chairman.*] Supposing a charge for a coat of paint for so many superficial feet appears in both accounts; how is the Audit Office to know whether both the charges represent the same superficial feet, or two sets of superficial feet?—Both departments would not pay for the same work, but I think it is quite clear that it would be more satisfactory to confine the work in one locality to one office or the other, and I have no doubt that that will be done; it was only at starting that there has been a want of a clear separation between them.

348. Is it not the fact that in cases where the departments have been in the habit of erecting their own buildings, and repairing their own buildings, they do not quite like leaving their repairs to be done by the Office of Works, but they like to do the work themselves in their own way?—I think it is quite possible that that may be

be the case, but I do not think it could lead to an error of account without fraud; but I think the system might open the way to an unlikely source of fraud, and I see no reason why the Inland Revenue Department should not be forbidden to make any repairs, or to do any work of this kind in those towns where there is an Office of Works officer available.

349. And there ought to be such a division and such a separation by the terms under which the vote was taken, as to enable the Comptroller and Auditor General to know against which vote to charge that expenditure?—I think so; one locality ought not to combine charges of the same nature against two different departments.

350. Mr. *Stansfeld.*] All that is possible appears to me to be this, that work might, by possibility, be done twice over; that the Board of Works might execute some work of maintenance or repair, and that the Inland Revenue Department being unconscious, or choosing to forget that they had done that, might do it themselves, so that you might have a double work performed, and a consequent waste of public money. That I conceive to be possible, though I do not imagine it to be very probable; but is it possible that there should be a double payment for a single work, because that was the question I understood to be raised?—I think it would be quite impossible, without the connivance of the tradesman and the heads of the establishments concerned.

351. *Chairman.*] I will put a case to you: supposing the Office of Works had fitted up a room with open shelves, and when the officers of the Inland Revenue or the Post Office came into it they did not like the open shelves, and sent in a person and said to him, "Take down those open shelves and put up cupboards." Under the present system, would not it be quite possible, without any fraud, but simply from a divergence of view between the Office of Works and the Department actually using the buildings, that such a case should occur?—It is possible that work might be done twice over improperly. The control over the expenditure would not be so good as if it were included in one vote, under the control of one department.

352. If one department is charged with the work, and another department may make variations and alterations in that work, may you not have an expenditure twice over, not exactly for the same purpose, but for a mere variation?—I think that system would weaken the control over expenditure.

353. Mr. *Goldney.*] Supposing one department built some additional rooms and charged them as additional buildings, and the other department were not satisfied with them, and built other additional rooms, how is the auditor to distinguish between the two, the head under which the expenditure comes being the same, namely, "Additional rooms"?—The auditor, in such a case, might not be able to distinguish between them; but that would be a question of incurring expenditure, the control over which does not fall upon the Audit Office at all.

354. Mr. *Stansfeld.*] In fact, that is not the business of the Audit Board?—No, it is not their duty to check the expenditure incurred by a department, provided it is within the vote. It would be a misappropriation of funds by the department, but it would not come under the control of the Comptroller and Auditor General.

355. Mr. *Pollard-Urquhart.*] Would not a fraudulent tradesman under the present system have a better chance of escaping detection if he sent in his bill twice, when the service is under two different departments, than if it were all under one department?—Such a fraud could only take place with the connivance of the heads of the departments.

356. Mr. *Stansfeld.*] Must not each of the departments to whom, by hypothesis, that double and fraudulent account is sent in, have its own records of the authorisation or non-authorisation of that expenditure?—Certainly.

357. Therefore those accounts could not be twice paid without fraud on the part of the heads of the departments?—Certainly not; and if there was only one department concerned in such a case, that one department could commit the fraud just as easily as if there were two departments. The head of one department could pass a payment twice over and conceal the fact that it was for the same work. If there is fraud the question whether there is one or two departments does not affect it.

358. Therefore, practically, there is no difficulty in keeping the accounts distinct; there could be no possible complication of accounts; but the real question is, whether it is not advisable that a distinct line should be drawn between the expenditure to be undertaken by one department and that to be undertaken by the other?—Quite so.

359. *Chairman.*] Supposing that there are two votes, under either of which expenditure might be claimed; supposing that the Board of Works put into a room chairs such as that which I am now sitting on, and the Inland Revenue Department ordered arm-chairs instead, under which vote would the expenditure be put in each case; would the Audit Office be able to distinguish between them?—The department paying the expenditure would charge it in its account.

360. But then under which vote would it be placed; would it be left to the option of the office incurring the expenditure to decide which vote it should be charged against?—No.

361. Mr. *Stansfeld.*] A department cannot charge expenditure except to its own account, can it?—As between two different departments, the department that pays must charge it to its own vote; it cannot charge it to the vote of the other department.

362. You say that if expenditure was incurred by one department, that expenditure should be charged against the vote taken by that department?—Yes.

363. And the auditor would be justified in accepting the accounts with regard to that department on seeing the vouchers?—Yes.

364. *Chairman.*] Let us take the case of two chairs, an ordinary chair and an arm-chair; suppose the one has been ordered by the Inland Revenue Board and the other by the Board of Works, and then suppose the plain chair ordered by the Board of Works is taken away by a tradesman by the orders of the Inland Revenue Department, who were not satisfied with the plain chair, and said, "Take it away, and substitute an arm-chair," the tradesman would allow so much out of the bill for the arm-chair in consideration of the chair he took back. To what vote is that expenditure to be charged?—A chair is always retained as the property of the department which supplies it. The Office of Works, I

Mr. *Foster.*
Mr. *Russell.*
Sir *W. Dunbar.*
Mr. *Hawker.*

11 May 1870.

apprehend, keeps its eye pretty closely upon the furniture it supplies.

365. Mr. *Candlish.*] Why might not the account for it be charged to both departments?—Because the officer who orders it belongs to the department which has charge of the vote.

366. Might there not be an account paid by both departments without any collusion?—No, certainly not.

367. Will you explain how that would come about?—The Office of Works employs its own tradespeople, and the Inland Revenue Department would not pay a bill of a tradesperson whom it had not employed.

368. *Chairman* (to Mr. *Russell*).] Do you wish to make any remark upon the evidence which you have just heard?—All I wish to remark is, that those chairs, once bought by the Office of Works officer, could not be removed; they would remain the property of the Office of Works, and we should not allow them to be removed, or exchanged, or tampered with in any way.

369. I will suppose that the Office of Works have, in an upstairs room in the post-office in Edinburgh, a common chair which is replaced by an arm-chair; that would not come to your knowledge, would it?—I think it would; I do not think that such a transaction is possible without our knowledge, and I hope it would not be possible, because, if that was possible, another transaction on a much larger scale would be possible in other places; I do not believe that it is possible.

370. Mr. *Pollard-Urquhart* (to Mr. *Foster*).] If one department ordered six arm-chairs and another department ordered six ordinary chairs, such as we are sitting on, supposing they were all ordered from the same tradesman, might not the tradesman, if he were inclined to cheat, send in a bill for the whole dozen of chairs to each department?—He might send it in, but it would not be paid.

371. Would he not have a better chance of escaping detection if there were two departments ordering chairs than if there were only one?—No, he would have no chance in either case.

372. Mr. *Goldney* (to Mr. *Hawker*).] Do you concur in the opinion which Mr. Foster has just expressed?—No, I think there would be a possibility of some furniture being paid for twice over if a vote was taken by both departments for the same service. In fact, we found that payments had been made to the same contractor by both departments, and they were so similar that we were obliged to compare both bills to see whether the same charges had been made in both accounts or not.

373. Mr. *Stansfeld.*] What was the result of your comparison?—We have not discovered any error.

374. Then, on what grounds do you state to the Committee that that double payment would be perfectly easy?—I said there would be a possibility of a double payment, because the two departments would not know what charges had been made against one vote and what against the other. The Board of Works do not refer to the account of the Inland Revenue in order to see what charges have been made against that vote, nor do the Inland Revenue refer to the vote of the Office of Works to see what charges have been made against it.

375. How can it be necessary that a double reference should be made if a charge is made against a vote to which it was applicable. When I am called upon to pay a bill, all that I want to know is whether I have ordered the articles for which the charge is made, and whether I have had them; am I not able to check an account which is sent in to me in that way?—Certainly.

376. Then, if I go to the other department, is not that other department equally able to check the accounts sent in against it?—Yes.

377. Then in what way can I, or the other department, be made to pay for what we have not ordered and received?—There is no proof that the tradesman is not making the same charge against the two departments. Supposing, for instance, that a tradesman sent in a bill for a dozen chairs to the Board of Works, on his charging that expense to the Board of Works they would charge it against their vote, while he might at the same time charge the expense of the chairs to the Inland Revenue Department.

378. You mean the same chairs?—Yes; and the Inland Revenue Department would charge it against their vote. As the Board of Works would not see the bill that was sent to the Inland Revenue, and the Inland Revenue would not see the bill that was sent to the Board of Works, there is no reason why the same expense should not be charged against both votes.

379. (To Mr. *Russell.*) I do not see that that follows in the slightest degree. The Board of Works would not pay for those chairs without first having ordered them, and, secondly, having received them; is not that so?—The tradesman's bill against the Office of Works would be signed by the officer who ordered the articles.

380. And that bill would not be paid without the receipt for the goods?—Not without our being aware that the things had been delivered to his order.

381. On the other hand, the Inland Revenue would act in the same way; they would require proof that the goods had been ordered, and that they had been received?—I presume so.

382. *Chairman.*] You say that if other chairs were substituted for some which you had ordered you would find it out?—Perhaps we had better not discuss the question of furniture, for we do not supply furniture to those buildings. All we have to do with is the repairs.

383. Suppose your office orders a room to be papered with paper at 1 *d.* a yard, and that it is done to your satisfaction, and you give the proper authority for the payment, and that is passed by the Audit Office. Then in comes the Inland Revenue Department, and they say, "We do not like this paper, we must have a better paper than this;" and they send an order to a tradesman to put up paper at 2 *d.* a yard. In that case might there not be a double expenditure for papering the same room, the one ordered by the one department, and the other by the other?—Yes, there might.

384. You say that no check could be placed upon that double expenditure?—That might take place.

385. Then, with regard to the audit, I want to know how the Comptroller and Auditor General is to know what vote to charge the papering of the room against?—I apprehend that he would charge the second expenditure against the vote of the department whose officer certified the payment of it.

386. Then

386. Then it would come to this, that he would charge the two paperings of the room to two different votes?—Yes.

387. Mr. *Stansfeld.*] If that room had, very wastefully and improperly, been papered twice with public money, once by one department, and another time by the other department, the expense would be correctly charged to both departments, and correctly audited?—Yes.

388. *Chairman* (to Mr. *Foster*).] Would that be the proper course to be pursued in the matter, because the House of Commons ought to know when it is voting money away under two different votes for the same kind of expenditure, that it allows of the possibility of the same thing being paid for out of two different votes?—As a matter of account, there is no difficulty about it whatever. As a matter of control of expenditure, I think there is no question that it is much better not to have that mixture.

389. Mr. *Stansfeld* (to Mr. *Hawker*).] You have stated to the Committee that it is easy that a double and a fraudulent payment should be made; I apprehend that you have not established that?—I said that there was a very good chance of a double payment in cases such as I instanced.

390. Mr. *Candlish.*] With regard to this very papering of the room, would it not be possible for a contractor or a tradesman to get an order for the papering of the room from both departments without the one knowing what the other had done?—Certainly.

391. And to present his account to both?—Yes, certainly.

392. There need be no collusion between the two departments in that case?—No.

393. The fraud would be the tradesman's?—Yes.

394. The account would be certified and paid?—Yes.

395. Mr. *Stansfeld.*] Could those accounts be paid simply upon an order without evidence of the order having been carried out?—I do not know what the operation is on the part of the Board of Works, as to whether they inquire that the work which they have ordered has been executed; at all events, if an order were given to paper a room by the Board of Inland Revenue, and also by the Board of Works, both departments might see that the order had been executed, and both departments might be charged with the expenditure.

396. Then, after all your experience as an inspector in the Audit Office, you do not at this moment know whether a department, which orders a service, satisfies itself that the service has been performed before it pays the account; is that your evidence?—Yes, as regards the accounts of the Board of Works; I may mention that I am not the inspector in charge of the accounts of that department.

397. *Chairman.*] The case you put was this, was it not, that supposing a room wanted papering, and supposing that two departments could give orders with respect to the repairs of that building, they might both order the papering of that room?—Yes.

398. And then two accounts might be sent in, though only one paper was put on the walls of the room?—Yes.

399. Each department might give an order for papering when there was an absence of paper, and afterwards each department might be satisfied that there had been a paper put upon the walls, and each department might be satisfied with the correctness of the account?—Yes.

400. In that case the paperhanger might claim for the papering twice over?—Yes.

401. (To Mr. *Foster.*) Have you any further observation to make upon this point?—I think it must be remarked that the Office of Works never steps in and papers a room without an application from the head of the office concerned; and in order to commit such a fraud as is suggested, the head of the office must give two separate orders for the same thing, which is not at all likely to occur.

402. We are, of course, supposing things which are very unlikely to occur; we are testing the system by an extreme case?—The head of the department could not give a double order without fraud.

403. Mr. *Goldney* (to Mr. *Hawker*).] Have you anything to do with inspecting the accounts of the Science and Art Department?—No.

404. What inspector inspects their accounts?—Mr. Llewellyn.

405. Mr. *Pollard-Urquhart.*] Would it not require more care and accuracy on the part of each department to prevent imposition in the case supposed, than if the work could only be done by one department?—Yes. (Mr. *Foster.*) I believe as a matter of account that that would not be so at all, but as a matter of control of expenditure it would be so, decidedly.

406. *Chairman.*] As a matter of account you would have to define what was to come under one vote, and what under another, in order to allow the Comptroller and Auditor General to exercise his control with regard to the vote under which the expenditure had been charged?—He would be solely guided by the department spending the money.

407. (To Sir *Wm. Dunbar.*) Have you anything to say upon this point?—I have stated in the course of this report that a vote taken for similar or like expenditure ought, in my judgment, to be placed under the custody of a single department, in order to obviate possible mistakes, or even frauds, being practised where two departments are concerned in the administration of, it may be said, one and the same vote or votes for like purposes; but I was further going to observe in regard to the remarks that I have made in reference to the expenditure of the Inland Revenue Board for public buildings, that those observations arose out of, and were based upon, the correspondence which took place between my department and the departments concerned; now it appears that when reference was made to the Inland Revenue Office for an explanation of the circumstances under which a sum of 5,087 *l.* was spent by them, the answer was, that it had been spent under the authority of the Treasury; but along with that answer they sent us a Minute of the Inland Revenue Board, in which they explained that the sum intended to be included in the Inland Revenue Vote had been transferred, as I understood, for the first time, to a totally different vote, to the vote of the Commissioners for Works. I find further, that in the answer which the Treasury gives to the Inland Revenue Minute, it does not at all demur to that statement. On the contrary, the Treasury appears to admit that a transfer was made from the one vote to the other, and in consequence of that

Mr. *Foster.*
Mr. *Russell.*
Sir *W. Dunbar.*
Mr. *Hawker.*
11 May 1870.

Mr. *Foster*.
Mr. *Russell*.
Sir *W. Dunbar*.

11 May 1870.

statement, first, on the part of the Inland Revenue Board, and secondly, upon the admission of the Treasury itself, in their answer to the Inland Revenue Department, I was naturally brought to the conclusion that the 3,000 *l.* which was originally intended to be included in the Inland Revenue Vote, had, by the authority of the Treasury, been transferred to the Vote of the Commissioners for Works. I felt, therefore, that I had no alternative but to make the observations which I did. If no provision had been made in either vote, and the Inland Revenue Office had been in the habit of making these repairs from year to year, then, as a matter of course, it would have occurred to me, without reference to that department, that there might have been an omission, and, under any circumstances, I should have said that the Treasury had the power of making a sub-head, and of charging against that sub-head expenditure which the Inland Revenue had been in the practice of so charging in previous years. It came clearly, I should have thought, more or less within the meaning of the vote, if it was an omission; but if I have made any observations here which I ought not to have made, the misconception has arisen from the correspondence.

408. Mr. *Stansfeld*.] I do not think it occurs to any one's mind that the Comptroller and Auditor General has made any observations that he ought not to have made?—I based my remarks entirely upon the correspondence, because the two letters to which I referred seemed to admit the fact that it was a transfer and not an omission.

409. *Chairman* (to Mr. *Foster*).] But then, a very important question arises upon this, whether the Treasury had any power of sanctioning a charge against a vote for any expenditure if the Appropriation Act would not cover it. It has not yet been proved to my satisfaction that the Appropriation Act would allow this expenditure to be charged against the Inland Revenue Vote?—I do not think the Appropriation Act would be likely to go further than the terms of the Estimate, which would cover such expenditure.

410. Mr. *Stansfeld* (to Sir *William Dunbar*).] As far as the Appropriation Act is concerned, would it cover this expenditure which the Treasury sanctioned out of the Inland Revenue Vote?—I think that we have been in the habit of admitting a right on the part of the Treasury to put in an additional sub-head, provided the expenditure comes within the meaning of the vote.

411–12. The terms of the Appropriation Act, with reference to the Inland Revenue Vote, are very wide, are they not?—Yes, they are very wide; they include the whole vote. (Mr. *Foster*.)—I think, probably, the Appropriation Act, if it goes so far, would quote the words used in the Estimate, which are, "To defray the Expenses of Inland Revenue and Post Office Buildings."

413. *Chairman*.] Then comes the question, if you have a vote which is taken in terms for "Post Office and Inland Revenue buildings," would not that exclude from the general vote for the purposes of the Inland Revenue that expenditure which has reference to buildings?—I think, seeing that that vote is placed under the control of the Office of Works, which cannot control the expenditure charged against the Inland Revenue Vote, it is manifest that it was not intended to include expenditure which the Office of Works could not control.

414–15. As a Parliamentary question the House of Commons is told, that there is wanted for Post Office and Inland Revenue Buildings 89,470 *l.*, and it has no information with regard to there being any other requirements for additional buildings. Then we are told, that now there is a certain portion of expenditure in connection with buildings which is not comprised in this Vote 23, for which that sum which I have mentioned is taken, but that it must come out of another vote wherein no mention is made of such requirements at all. Then the question is, whether Parliament votes that money with a full knowledge of the circumstances?—It has so far a knowledge of the circumstances that it knows that it is for expenditure incurred by the Office of Works. I admit that it is very defective information, and that it ought to be more distinct, but I think the mere fact of its being shown upon the estimate that it was expended under the Office of Works does explain to Parliament in a defective manner that it is only for the expenditure of that department, and not for expenditure incurred necessarily by the Inland Revenue Department. (Sir *William Dunbar*.)—With regard to the question which was put to me by the Secretary to the Treasury, perhaps the Committee will allow me to read what are my views with reference to that particular case. In communicating with the departments we have laid down these rules: "The view which the Comptroller and Auditor General entertains of the duty incumbent upon him under the Exchequer and Audit Departments Act is—First, that if a charge is made by an accounting department against a vote, of such a nature as not to fall within the intention of the vote, or of any sub-head under which the vote is directed to be accounted for, then that the sum must, under the 27th section of the Act 29 & 30 Vict. c. 39, be reported to Parliament as not properly chargeable to the vote. In such a case it appears to him that the amount should be voted in order to authorise the expenditure."

416. What are you reading from?—I am reading from instructions which I have laid down.

417. Are they instructions to your officers?—No, not to my officers, but to the departments. In communication with the departments we have laid down certain rules, and upon these rules the departments are now acting. In fact, a question was put by the Colonial Office as to how we should deal with payments under a variety of circumstances, and we have laid down these as the regulations which should guide the departments in dealing with such payments. I have read No. 1; No. 2 is, "That if the sum charged is clearly within the meaning of the vote, but the distinct definitions or limitations of the sub-heads do not admit of its falling within any one of them, an additional sub-head should be inserted in the Appropriation Account, under which the sum should be charged." That is a power that we think the Treasury may fairly be allowed to exercise. "In this case the circumstance would be alluded to in the report on the account, but the Comptroller and Auditor General would not consider it his duty to report such a payment as not properly chargeable to a vote. Thirdly, in the case of a payment which, though covered by a sub-head, is not detailed in the information contained in the third part of the Estimate, the Comptroller and Auditor General considers that, whether

whether it will be his duty to notice it, or not, must depend upon the degree of precision in, and the nature of, the details so given." So that under regulation No. 2, if the sum charged is clearly within the meaning of the vote, but the distinct definitions or limitations of the sub-heads do not admit of its falling within any one of them, and it is, therefore, charged to a new sub-head, it will be noticed by the Comptroller and Auditor General as a new sub-head, but he would not consider it his duty under such circumstances, if it fairly fell within the vote, to report that the payment was not properly chargeable to the vote. Applying that principle to this case, and supposing that a vote had not been taken, which I understand to be the fact (from the correspondence it appeared to have been a transfer), in that case, of course, I should have admitted it as a sub-head, and considered the expenditure as properly chargeable against the vote.

418. Mr. *Stansfeld.*] Then, understanding now that provision was not made in Vote 23 for those services which were debited to a new sub-head in that Inland Revenue Vote, are you of opinion that they were correctly debited?—I think they were correctly debited, under such circumstances; I should have noticed it in the Report, but I should not have thought it my duty, according to the regulations just quoted, to have pronounced it a payment not properly chargeable against the vote.

419. *Chairman.*] Do I understand that, with the explanations now given, you would debit this payment against the Inland Revenue Vote?—Supposing that a vote had not been taken for what we might consider the same service.

420. If there had been no Vote 23 for Post Office and Inland Revenue buildings, then you would have admitted this charge against the Vote for the Inland Revenue Department?—Yes.

421. But there being such a vote, do you think that it excludes the propriety of charging it against the Inland Revenue Vote?—Yes, especially in view of the circumstances that the Inland Revenue Office did itself look upon that 3,000 *l* as having been a transfer, and the Treasury, in their answer to the Inland Revenue Office, seem to admit it.

422. Mr. *Stansfeld.*] Whatever may have been the impression produced upon your mind by that correspondence at the time it took place, am I not correct in understanding you in this way, that if the services in question which have been charged against a new sub-head in the Inland Revenue Vote were not provided for actually in the Board of Works Estimate, and we know that they were not carried out under the supervision of the Office of Works, you would then say that they would not be correctly charged against the Office of Works Vote, and that they would be correctly charged against the Inland Revenue Vote?—If they were clearly separate and distinct services, of course I should hold that this expenditure was correctly chargeable against the Inland Revenue Vote; but, from the information obtained in the course of the inquiry, it would appear that the expenditure was of a similar kind; in short, similar expenditure was charged against both votes.

423. It was expenditure of a similar nature, because it came under the head of "Maintenance and Repairs;" but we will assume that the maintenance and repairs had been partly executed upon the Inland Revenue buildings by the Inland Revenue Board and partly by the Board of Works; you would not propose that works executed by the Inland Revenue Board, upon their order and under their supervision, should be charged against the Office of Works, Vote 23?—No; I should have considered that for two separate services the vote had been taken for the special work with which they were severally entrusted by each department.

424. With reference to this particular expenditure charged against the Inland Revenue Vote, you would not propose to charge it against Vote 23, would you?—I have so proposed to charge it.

425. I understood you just now to say that you would not charge expenditure incurred by the Inland Revenue Board against a vote for which the Board of Works was responsible?—No, not if it was a distinct and separate service; I draw the distinction there. It would appear from the correspondence that this vote was taken for the Inland Revenue, and was transferred to the Commissioners of Works for the discharge of duties precisely similar to those which were discharged by the Inland Revenue Department; and on that account I thought that the moneys disbursed by the Inland Revenue Department ought to be charged against the vote granted by Parliament for that one purpose. But if you put the question to me, whether if they were distinct services I should do so, I say as distinctly that for distinct services, the Inland Revenue doing one kind of service, and the Commissioners of Works doing another kind of service, I should admit the expenditure against both votes.

426. The service might of course, as in this case it was, be distinct and yet similar, if I apprehend you rightly; if the services were distinct but similar, you would not think that arrangement an advisable one; you would suggest that it would be better that similar services should not be performed by different departments?—No, that is not my suggestion; my suggestion, which you will find in my Report, is this: where similar expenditure has to be incurred, the safe thing is to entrust the expenditure of that money under one vote to one department.

427. You make that as a suggestion?—Yes.

428. But take the facts as they are; there are expenditures for services distinct but similar, which, as a matter of fact, have been incurred by two separate departments; in that case you would not charge them against one vote, would you?—No; as I said before, if they were proved to be distinct services, as a matter of course I should charge the expenditure against the two separate votes.

429. You have heard the evidence of Mr. Foster upon this subject?—Yes, I have.

430. Especially as to the error in not taking the 3,000 *l.* in the Inland Revenue Vote?—Yes.

431. Having heard that error stated, you would not now, if I interpret you rightly, propose to charge that expenditure against Vote 23?—If it was distinctly an omission on the one hand and a distinctly different service on the other, then of course I should not persist in the objection which I have taken, but I say that my objection

Mr. *Foster*, Mr. *Russell*. Sir *W. Dunbar*.

11 May 1870.

is founded on the correspondence; I drew my inferences from the correspondence.

432. I am not raising the slightest objection to your letter, which was written upon the information before you at the time, but if I understand Mr. Foster's evidence rightly, it would meet your views?—Mr. Foster's evidence would meet my view, and I believe Mr. Foster and I are agreed upon another point, namely, that it would be better that a vote of this nature should be administered by one department.—(Mr. *Foster*.) As far as the work can be done by one department, I do not think it would be desirable to place the expenditure upon offices all over the country which cannot be controlled by the Office of Works under the Office of Works—(Sir *William Dunbar*.) What I understand is that in Mr. Foster's opinion, the work may be made so distinct, that no confusion could arise as to the expenditure between the two Departments—(Mr. *Foster*.) Quite so.

433. *Chairman* (to Mr. *Foster*).] Will you produce at our next meeting the Treasury Minute which sanctioned the distribution of the work between the Inland Revenue Department and the Board of Works?—I will look for it, and obtain it if there is one.

On Vote 28.

434. The Comptroller and Auditor General's Report states that the sanction of the Treasury for the excess on this vote has not been produced to the Audit Office; has it been produced yet?—It has been produced since; I can give the dates if you wish; the Treasury, on the 28th of December 1869, wrote upon the subject to the Commissioners of Public Works.

435. We need not go into this matter in detail if you can state that it was produced since?—It was sent up apparently without any delay whatever.

On Vote 29.

436. *Chairman* (to Mr. *Foster*).] I believe that for some years past a vote has appeared in the Estimates for the Queen's University Buildings in Ireland, is not that so?—Yes.

437. And at present no decision has been come to with regard to the building, and the vote has not been drawn?—I believe so.

438. Mr. *Stansfeld*.] There is an explanation to that effect, I think, under the Account at page 46?—Yes.

Mr. George M. Edwards, called in; and Examined.

On Vote 31.

Mr. *Edwards*.

439. Mr. *Stansfeld*.] What is your Department?—I am in the Department of the Accountant General of the Navy.

440. *Chairman*.] The Report of the Comptroller and Auditor General says that no Appropriation Account has been received of the Portland Harbour Vote: what have you to say upon that subject?—At the date at which that Report was written it had not been received by the Comproller and Auditor General; but since then it has been forwarded to him.

441. Why was it not forwarded in due time?—It contains a portion of the expenditure controlled by the Admiralty, and the whole of the Navy Appropriation Account, and the Statement of Savings and Deficiencies for the year 1868-9, were not rendered by the date prescribed by the Exchequer and Audit Act; the reasons for their not having been so rendered have been fully explained to the Treasury in obedience to their request. If the Committee desire to be informed what the explanation was, I cannot perhaps do better than read a portion of the letter written by the Admiralty to the Treasury, containing that explanation; but I may point out that inasmuch as the Comptroller and Auditor General has called attention to the delay in rendering the Appropriation Account of Navy Services, which of course embraces a far larger mass of expenditure than this, the Committee may think that the explanation should be deferred until that subject is under consideration, inasmuch as the Admiralty are desirous of getting the time extended which they have for preparing these accounts, and they wish to have the question submitted to the consideration of this Committee.

442. Mr. *Candlish*.] What difficulty is there in the way of keeping this Portland Harbour expenditure separate from the ordinary naval expenditure, this being, so to speak, a Civil Service Vote, a distinct vote in itself?—There is no difficulty in keeping it separate.

443. Would there be any difficulty in rendering the Appropriation Account of it at the same time as the Civil Service Appropriation Accounts are rendered?—No.

444. Mr. *Stansfeld*.] Is not the difficulty under the Act, that the Act calls upon the Admiralty to send in one Appropriation Account, of which this is a part?—This is rendered as a separate account from the Naval Account; but the difficulty was, that the Admiralty were not prepared at the prescribed date to render any account, either the Navy Accounts or the Portland Harbour Account.

445. Mr. *Candlish*.] Do you render only one Appropriation Account under the Act?—No; this is not rendered as a part of the Naval Appropriation Account at all.

446. What is the difficulty of rendering this account in time to appear with the other Civil Service Appropriation Accounts, as it comes among the Civil Service Estimates?—There would be no difficulty usually; the circumstances which led to its not being rendered in time, in the present instance, were exceptional.

447. What were they?—The change of office from the Admiralty at Somerset House to the Admiralty at Whitehall, which led to a great interruption of public business, together with the recurrence of that which has been in past years found very detrimental to rendering the accounts in time. In this year, therefore, the difficulties in the way of preparing the account culminated. The Deputy Accountant General of the Navy gave evidence before this Committee

Committee last Session upon this subject. The ordinary difficulties, coupled this year with the interruption of public business consequent upon removing the Admiralty from Somerset House to Spring Gardens, made it necessary that such a very large mass of business should be completed in a very short time, that it was found impossible to fulfil the requirements in that respect.

448. According to the letter of the Audit Office of the 22nd of December last, there seems to have been irregularity with regard to the Portland Harbour Account, that the "Expenditure appears to have been made out of advances from naval funds, and none of the expenditure has been charged against the Vote of 8,500 *l.*;" will you explain that?—That was an inter-departmental question. As a matter of convenience, the Paymaster General's Department temporarily met the expenditure on Portland Harbour out of such money as he had in his hands for the naval balance. The Vote for Portland Harbour is placed in the hands of the Admiralty early in the year, but at that date no transfer of money was placed in the hands of the Paymaster General to compensate for what he had advanced out of the funds in his hands under the Admiralty votes, but the transfer was shortly afterwards made.

449. This delay in transmitting the Appropriation Accounts relating to Portland Harbour for the year 1868-9, at the same time as the other Civil Service Appropriation Accounts, will not occur again?—No.

450. *Chairman* (to Sir *William Dunbar*).] What do you propose to make your practice when an Appropriation Account is not sent in at the time prescribed by the Exchequer and Audit Act, but subsequently rendered; do you propose to make a supplementary report?—No, I believe that this is the first occasion on which there has been an omission of this nature; I did not think it proper to make a supplementary report upon it. I hold that the Comptroller and Auditor General exists for the purposes of Parliament, and that he is the last man in the world who should disobey or disregard the regulations laid down by Parliament for the conduct of his duties. I hold that he does not exist for the uses of the departments simply; and if I had laid down the principle that an account might, in disregard of the Act of Parliament, be sent in at any moment that the department might think fit, the result, I fear, would have been that the example set in this case would have become one of great extension, or might have been liable to become so, and I think it very necessary that that should be guarded against. Upon a request of the Committee I will, of course, send in my report upon this account.

Mr. *Foster.*
Mr. *Russell.*
Sir *W. Dunbar.*
Mr. *Edwards.*
11 May 1870.

451. Are there any other cases of an omission except this?—This is the only case in which I have not reported, but the whole of the Admiralty Accounts were not sent in in time. I ought to state, however, with regard to the Admiralty Account, that although it was not sent in within the period prescribed by the Act of Parliament, it was sent in in sufficient time to enable me to make a report upon it within the prescribed period.

452. And you have reported upon it?—I have reported upon the Admiralty Account.

453. Then this is the only vote which you have not reported upon?—Yes.

454. Mr. *Stansfeld.*] I think I understood you to say that you would send in a report upon it if the Committee requested you to do so, but of course we cannot go beyond the Act?—The Act lays it down in very distinct terms, that the Appropriation Accounts are to be sent in at a certain time. Of course I cannot report merely at the bidding of a department; if I were to adopt that as the rule, I am afraid it would be attended with very great inconvenience.

455. The question is whether the Committee ought to make a request to you to report upon the account, or whether it should be the House of Commons?—If the Committee should make such a request, of course I should consider it my duty to bow to the decision of the Committee as representing the House of Commons. I would venture to remind the Committee that there is a very vast amount of work to be done in a very short space of time, and that any delays on the part of the departments would necessarily throw the whole of the Exchequer and Audit Department out of gear, and make it impossible for us to perform the duties assigned to us by Parliament.

On the VOTE for "Advances for New Courts of Justice and Offices."

456. *Chairman* (to Mr. *Russell*).] Why is this vote not numbered?—It is not comprised in any Class of the Civil Service Estimates.

457. If it is not comprised in the Civil Service Estimates, why is it interpolated there; it ought to be a separate account outside the Classes, ought it not?—I believe it is explained lower down on the same page.

Mr. HENRY THOMAS DUNDAS BATHURST, called in; and Examined.

458. *Chairman.*] I SEE that the Comptroller and Auditor General says, "This account is not comprised in any Class of the Civil Service Estimates. The Appropriation Account is, however, submitted with those in Class I., for the reason stated in my report of the 13th of January 1868, on the Appropriation Account of this Class"; do you remember what that reason is?—This being an account rendered by the Commissioner of Her Majesty's Works, and the service being of the same nature as those comprised in Class I., it was included in the Report upon the Office of Works Account.

459. (To Sir *William Dunbar.*) But it was an advance and not an absolute grant; do you not think that it ought to stand by itself, and not to come in Class I.?—I should think it had better stand by itself.

Mr. *Bathurst.*

460. Mr. *Pollard-Urquhart* (to Mr. *Bathurst*).] Is it an advance?—Yes; to be repaid in the manner prescribed by the Act 28 & 29 Vict. c. 48. (Mr. *Foster.*) The sum has all been repaid by the Court of Chancery with the exception of a mere trifle.

461. Mr. *Candlish.*] Is not the repayment a miscellaneous receipt?—No.

462. *Chairman.*]

Mr. *Foster.*
Mr. *Russell.*
Sir *W. Dunbar.*
Mr. *Bathurst*

11 May 1870.

462. *Chairman.*] It is provided for by the Act of Parliament?—Yes.

463. Mr. *Pollard-Urquhart.*] Then with regard to the extra receipts of the Office of Works, it appears that out of 24,746 *l.* 18 *s.* 6 *d.* only 8,500 *l.* have been paid into the Exchequer; why has not the whole sum been paid in?—It has been the practice of the Office of Works to pay those extra receipts over to the Exchequer twice a year; they accumulate to a certain amount, and they have been in the habit in one part of the year of paying a sum on account to the Exchequer, and when the accounts are completed they pay over the balance. The Treasury has lately written to the Office of Works, and proposed that they should change their practice and pay over quarterly.

464. Will those extra receipts be paid over quarterly for the future?—They will.

465. I suppose that will prevent these large balances accumulating?—Yes.

466. (To Sir *William Dunbar.*) Do you think that the arrangement of the balances being paid quarterly will be satisfactory?—Yes, I think quarterly payments would be sufficient.

467. *Chairman* (to Mr. *Russell*).] Have you any observation to make upon the subject of these extra receipts?—It has been our practice to retain the extra receipts until after the report of the Comptroller and Auditor General has been received. The printed Appropriation Accounts for 1868–69 did not reach our department till after 1868–69, consequently the balance was not paid over until this year; it has now been paid.

468. (To Mr. *Foster.*) A question was raised at our last meeting about the form of the account with respect to the nomenclature, and you were requested to prepare a form of account; have you done so?—Yes; I have it here. (*The same was handed in.*)

Wednesday, 18*th May* 1870.

MEMBERS PRESENT:

Mr. Candlish.	Mr. Liddell.
Lord Frederick Cavendish.	Mr. Pollard-Urquhart.
Mr. William Fowler.	Mr. Sclater-Booth.
Mr. Goldney.	Mr. Seely.
Mr. Ward Hunt.	Mr. Stansfeld.

THE RIGHT HONOURABLE GEORGE WARD HUNT, IN THE CHAIR.

Sir WILLIAM DUNBAR, Bart, Mr. WILLIAM GEORGE ANDERSON, Mr. MORGAN HUGH FOSTER, C.B., Mr. CHARLES LISTER RYAN, Mr. CHARLES VINE, Mr. HENRY W. S. WHIFFIN, called in; and Examined.

ON VOTE 21, CLASS 3.

Government Prisons, England, and Transportation.

469. *Chairman* (to Mr. *Whiffin*).] THERE is a paragraph in the Report of the Comptroller and Auditor General to the following effect: "Upon the grant for this service I have to observe that under sub-head A., Salaries, is included a sum of 40 *l.*, being the proportion of the salary of Captain Stopford at the rate of 300 *l.* per annum properly chargeable to the Vote for Army Services the amount having been provided for in the Army Estimates: in reply to an inquiry from this Department, the accountants state that it has not been recovered from the War Department; the expenditure under this sub-head should therefore be diminished by that sum, making the amount 6,522 *l.* 6 *s.* 2 *d.* instead of 6,562 *l.* 6 *s.* 2 *d.*; as shown in this Account:" what have you to say upon that?—There was a sum of 300 *l.* provided in the Army Estimates for 1868-69, for the pay of the Inspector of Military Prisons, Captain Ducane; he received payment at that rate up to the 11th of February 1869 only; so that as far as the Army Fund is concerned there is a saving of 41 *l.* upon that Vote.

470. Upon the Army Vote?—Yes, under the Army Vote. Had an application been made from the Home Office for that balance, I have no doubt that that sum would have been paid over to the Home Office. We have no knowledge of any payment to Captain Stopford, the amount paid to him to the 31st of March having been paid out of the Civil Votes.

471. To which Vote do you say that this 40 *l.* ought to be charged?—I think it is correctly charged to the Civil Votes; but, on the other hand, had the Home Office made an application to the War Department to recoup the Home Office the 40 *l.*, I have no doubt that that application would have been entertained, seeing that a sum of 300 *l.* was provided in the Army Estimates for the pay of the Inspector of Military Prisons for the year ended the 31st of March 1869.

472. Captain Stopford is in the office of the Inspector of Military Prisons?—He is. We have made no payment to him.

473. Then did Captain Stopford succeed Captain Ducane?—Captain Stopford had a new appointment, and his salary, as I understand, was raised, beginning from the 1st of April 1869, from 500 *l.* to 800 *l.* a year.

Sir *W. Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*
Mr. *Ryan.*
Mr. *Vine.*
Mr. *Whiffin.*

11 May 1870.

474. By whom was it raised?—By the Home Office; and provision is made in the Civil Service Estimates for the 800 *l.* for the year 1869-70. Our payments to Captain Ducane ceased on the 11th of February 1869, provision having been made for the 300 *l.* a year down to the 31st of March 1869.

475. (To Mr. *Ryan.*) After that explanation, have you, on the part of the Audit Office, anything to observe upon it?—No.

476. (To Mr. *Whiffin.*) Supposing an application for the 40 *l.* had been made to the War Office by the Home Office, you think that the money would have been paid to the Home Office?—Yes.

477. In that case it would have been charged to the Army Vote?—In that case it would have been charged to the Army Vote, against the sum provided in the Estimates for that service. (Sir *William Dunbar.*) That would appear to be an admission of the correctness of the observation in my Report.

478. (To Mr. *Foster.*) Have you any observations to make upon this point?—I think the state of the case is, a sum of 300 *l.* a year was voted on the Army Estimates for the pay of Captain Ducane, whose appointment was abolished, and Captain Stopford received a civil appointment of 800 *l.* a year. It appears to me that it would have been quite incorrect for the War Office to pay over 40 *l.* voted for Captain Ducane's military pay to meet the civil salary of Captain Stopford.

479. Your view is this; that if the War Office had been applied to by the Home Office for that 40 *l.*, they ought to have refused it?—Yes, Captain Stopford's salary was a civil salary.

480. (To Mr. *Whiffin.*) What have you to say to that?—Captain Stopford performed the duties which had been previously performed by Captain Ducane, and in consequence, as I understand, of his undertaking those duties, his salary was increased from 500 *l.* to 800 *l.* a year.

481. Was the whole of his salary then charged upon

Sir *W. Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*
Mr. *Ryan.*
Mr. *Vine.*
Mr. *Whiffin.*

18 May 1870.

upon the Civil Vote?—The whole of his salary was charged upon the Civil Vote.

482. Was the salary fixed by the Secretary of State for the Home Department?—I believe so; no provision is made for the pay of Captain Stopford on the Army Votes.

483. Then if that is so, if an application had been made by the Home Office for that 40*l.*, why ought you to have paid it to them?—Because it might have been assumed that Captain Stopford had undertaken the duties which Captain Ducane had previously been paid for discharging; but full particulars would have been called for had any claim been made on behalf of Captain Stopford.

484. Mr. *Stansfeld* (to Mr. *Foster*).] If I understand you rightly, upon the appointment of Captain Stopford, the whole of his remuneration was provided for out of the Civil Votes?—It was entirely provided for in the Civil Votes, and therefore, according to the War Office view, it would have been provided for twice over, so far as the 40 *l* is concerned.

485. *Chairman.*] At our last meeting you stated that you would try and find a Treasury Minute, stating what part of the expenditure on the repairs and maintenance of Inland Revenue Buildings was to be administered by the Inland Revenue Department, and what part by the Office of Works; have you done so?—Yes; I have here a copy of the minute, and I should wish to draw the attention of the Committee to the wording of it.

486. What is the date of it?—It is dated the 22nd of November 1867.

487. Will you read it?—"My Lords have before them the Estimates for the Departments of the Inland Revenue and the Post Office for 1867–68; in these Estimates a certain sum is annually inserted on account of buildings and repairs, but it appears that the works are executed under the direction of the First Commissioner of Works, who practically controls the expenditure, and recovers the amount from the departments in question. My Lords consider that all the expenditure attendant upon all buildings and repairs which either have been hitherto, or which can conveniently for the future be, executed for the departments of the Post Office and the Inland Revenue by the Board of Works should be estimated and accounted for by the First Commissioner. Write accordingly to the First Commissioner of Works, and desire that the necessary provision may be made in the Estimates of his department for 1868-69. A sum is also inserted in the Post Office Estimate now under consideration, of the expense of the manufacture of postage labels and envelopes, and my Lords understand that the amount consequently voted is paid by the Post Office to the Inland Revenue, by which department the actual work of manufacture is conducted. My Lords consider that it is proper under such circumstances that the expenditure in question should be estimated and accounted for by the department of Inland Revenue. Transmit copy of this minute to the Postmaster General and the Commissioners of Inland Revenue, and request that the Estimates for their departments for 1868-69 may be framed in accordance therewith." The effect of that minute is to place upon the Office of Works all works that can be conveniently executed by that Office, and to exclude such work as cannot be conveniently executed by them.

488. Is that a minute signed by myself?—Yes; it seems clearly to imply that there will be charges of that kind in two quarters.

489. That minute laid down the principle that there should be a division between the two departments, but left it to be ascertained what was the most convenient arrangement for that purpose?—Yes.

490. Subsequently to that minute, has there been any distribution between the two departments, with the cognisance of the Treasury of the works to be undertaken by each?—I think not further than general instructions. The Inland Revenue Department have carried out such works as they considered could not be conveniently carried out by the Office of Works. I think it has not been laid down with sufficient distinctness what works were to be executed by each department.

491. That is an administrative question: it would be desirable, in your opinion, I presume, that there should be a distinct rule laid down?—I think there should be a distinct rule. I may at the same time mention, that I believe there are some arrangements being carried out, according to which the country will be divided into districts, and Office of Works' surveyors will be appointed to take charge of certain public buildings in different portions of the country. In that case I am not sure that it may not be practicable to place the charge of all works in connection with public buildings under the Office of Works.

492. In that case the expenditure on these buildings would all be charged against one Vote?—In that case it would all come out of the Vote placed under the Office of Works.

493. You think that that would be a more desirable arrangement than the present, if it can be effected?—Yes, if it can be carried out with sufficient convenience and regard to economy.

494. Supposing that that cannot be effected, do you think it desirable that the terms of the Vote and the Appropriation Act should show exactly to which Vote, supposing there are two, the expenditure of each kind should be charged?—Yes, I think it should be shown as clearly as possible. There would always be a line where it would be difficult to say which department should incur the expenditure; but there can never be a mistake as to which office is to account for the charge, because that must depend upon which office was ordered to perform the work, which paid for it, and which holds the vouchers.

495. (To Sir *William Dunbar.*) Does that meet the view which you and your officers take?—Yes, that meets the suggestion I have made in my Report.

496. Mr. *Sclater-Booth* (to Mr. *Foster*).] After the contemplated revision of the establishment of the First Commissioner of Works is it at all conceivable that he will be able to superintend such petty matters as the repairs of a country post office, putting on a lock, for instance?—The system will be that he will have charge not only of Inland Revenue buildings but of all county courts and all post office buildings; and for petty work, such as putting on a lock, I believe the proposal is to have a tradesman in the town who will perform such minor works under the direction of the head of the office, and transmit the accounts to the Office of Works, and their surveyor for the district will look after the charges, and take care that they are not exorbitant.

497. *Chairman.*] Then the arrangement would be

be this: some person in the Inland Revenue Department would be the agent of the Office of Works for the purpose of superintending or giving orders for such minor matters?—There would be some arrangement of that kind; I am not aware that it is settled in any way yet.

498. If the arrangement you suggested were carried out the person in the Inland Revenue Department, who really looked into the matter, would not be acting as an officer in the Inland Revenue Department, but he would be acting at the request of the Office of Works?—Yes.

Sir *W. Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*
Mr. *Ryan.*
Mr. *Vine.*

18 May 1870.

On Vote 1, Class 2.

499. Lord *Frederick Cavendish.*] It is stated that the excess under Sub-head A. "is owing to the appointment of a Third Lord at an increased salary, and to the pay of two additional supplementary clerks for Appropriation Accounts not having been provided for:" what reason was there to prevent a supplemental Vote being moved for this additional salary?—It is not the practice to take a supplemental Vote for any very small sum; besides which, when the salary was charged, it was not known whether the Vote upon which it was chargeable would meet it or not; there might be other savings sufficient to meet it.

500. *Chairman.*] Then your view is, that it is not a question of account so much as a question of policy?—Yes.

501. The question whether there should be a supplementary Estimate for the purpose depended upon the question whether the Government thought they ought to take the opinion of Parliament upon the question?—Exactly.

502. It is not a question of account?—No; it is not a question of account.

503. Mr. *Stansfeld*] I am not sure that your answer may not be interpreted a little too widely; I think that supplementary Estimates are taken for new services fairly falling within a particular Vote, even if it were probable that that Vote would not be exceeded?—Only if it were for anything important.

504. In this case the charge for the extra salary of a Third Lord was only for a very limited period before it came upon the Estimate?—It was for a very limited period only.

505. It was charged from December to the close of the financial year, I believe?—Only for about three or four months.

506. *Chairman.*] You say that if it is something important upon which an expenditure is to take place, then, notwithstanding that the Appropriation Act would cover the expenditure, there ought to be a supplementary Estimate; is that your view?—If it is of sufficient importance.

507. Supposing the Vote was sufficient to cover it, and there was no risk of the Vote being at all exceeded, if you presented a supplementary Estimate, it would show a greater total expenditure than you really contemplated; is not that so?—Yes; it would show that there was new expenditure contemplated, which had not been contemplated in the original Estimate.

508. Do you think that, under those circumstances, a supplementary Estimate ought to be presented, if it is for a matter of importance?—I think it is a matter of policy, which rests with the discretion of the Treasury to decide whether it is a matter of sufficient importance to be brought specially before the notice of Parliament.

509. Might it not be brought before the notice of Parliament without that being done in the form of a supplementary Estimate?—No doubt it might; but perhaps a supplementary Estimate is the most convenient way of bringing it before the notice of Parliament.

510. There might be a correspondence laid upon the Table of the House, and it might be thought that the salary might be fixed, if no objection was taken by Parliament within a certain time?—Yes.

511. That would bring it under the notice of Parliament as well as a supplementary Estimate, would it not?—Yes.

512. Perhaps a Treasury Minute relating to it might be laid on the Table?—Yes.

On Vote 3, Class 2.

Mr. Alfred Richard Pennefather, called in; and Examined.

513. *Chairman.*] Can you give any reason why, as the estimate for this service, under Sub-head K., has been insufficient for years, it has been allowed to stand at an insufficient amount all this time?—The Estimate of 2,400 *l.* for travelling expenses was framed before the Home Office had any control over the expenditure. The Home Office used to frame the estimates for all the offices under their control. For example, they used to frame the estimate for the Inspectors of Constabulary, but they had no control over the expenditure. And the same with regard to the Inspectors of Mines; the Home Office used to frame the Estimate, but the Treasury spent the money, and the Home Office kept no books to see what the expenditure actually amounted to.

514. But now, the Vote being placed under the administration of the Home Office, and the Home Office having to render an account of it, you will know what sum to estimate for?—Yes, we now estimate according to the average of the preceding years; no such case as this is likely to occur in future.

515. Mr. *Pollard-Urquhart.*] Were not the travelling expenses of the Inspectors of Coal Mines charged to the Home Office formerly?—No; they were paid by the Treasury. That expenditure was controlled by the Treasury formerly. The Vote was not under the control of the Home Office.

Mr. *Pennefather.*

516. Until this year?—Until April 1868; what you have before you is the first Appropriation Account of the Vote since it has been under the control of the Home Office.

517. Mr. *Stansfeld.*] Then the sub-department, until this year, estimated for this expenditure?—The Home Office estimated for that expenditure.

518. Was this incorrect estimate a Home Office estimate?—Yes.

519. Who estimated for this expenditure in the years previous to 1868–69?—The Home Office have done it for years.

520. The Home Office has always estimated for that expenditure?—Yes.

521. *Chairman.*] And they sent in an estimate upon insufficient knowledge?—Yes, just so.

Sir *W. Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*
Mr. *Ryan.*
Mr. *Vine.*
Mr. *Pennefather.*

18 May 1870.

On Vote 5.

522. (To Mr. *Foster.*) In the Report of the Comptroller and Auditor General I find this "Under Sub-head C, 'Incidental Expenses' is included a payment of 24*l.* 6*s.* 8*d.* for fees on Assignment of Arms, &c., for Canada. No special provision would appear to have been made in the estimates of the Colonial Office for 1868-69 for such expenses; and I observe that payments of this description are usually made out of the 'Civil Contingencies Fund' in the first instance, and afterwards voted by Parliament under 'Miscellaneous Civil Services, formerly Civil Contingencies.' It appears to me, therefore, that the sum in question should not be charged to the Vote:" what have the Treasury to say upon that?—It is admitted by the Treasury, and the transfer has been made to the Civil Contingencies Fund as appears by the minute in this Blue Book.

523. Where is that?—At page 319.

524. You say that the Treasury think that the view of the Comptroller and Auditor General is correct in that respect?—Yes, and we have acted upon it.

Mr. John S. Lewes, called in; and Examined.

Mr. *Lewes.*

525. *Chairman.*] What position do you hold in the Colonial Office?—I am Accountant and Examiner.

526. What have you to say upon the statement in the Report of the Comptroller and Auditor General that a sum of 497*l.* 13*s.* 1*d.* was realised under the head of "Extra Receipts" during the year 1868-69, although no portion of such receipts was paid over to the Exchequer?—It was realised under the head of Extra Receipts, but not in connection with the Vote of which this is the Appropriation Account; it was realised in connection with the Vote of 1867-68 for Convict Establishments in the Colonies, and consequently we did not bring it to account as an extra receipt on the Colonial Office Vote.

527. Mr. *Seely.*] What did you do with it?—It was retained in hand until we received orders to pay over Extra Receipts to the Exchequer, and it has been paid over since.

528. *Chairman.*] In what year was it realised?—The greater part of it was realised in Western Australia in the year 1867-68, and a small balance was realised in Tasmania.

529. When was it accounted for in this country?—We brought it to account in July and September 1868 and March 1869.

530. Then the Colonial Office got credit for it in the year 1868-69?—We were closing the accounts of old Votes for 1867-68; we not only had the administration of the new Votes, but also the accounting for balances of the old Votes, of which no Appropriation Accounts had been rendered, and in closing those accounts we did not conceive that this amount which had been realised on the Vote for Convict Establishments in the Colonies, ought to be brought to account in our Colonial Office Appropriation Account for 1868-69.

531. Have you surrendered these moneys as extra receipts on any other Vote?—No; we finally surrendered them as extra receipts on that old Vote.

532. When did you surrender them?—We had further extra receipts, and we surrendered the whole together towards the end of the next year.

533. Then the fact is this, that having brought that money to account in the year 1868-69, you did not surrender it to the Exchequer in any shape or way until the next year?—We had not received instructions to do so.

534. I do not ask for your reasons now; the fact was that you did not surrender it?—We did not surrender it until the 31st of January 1870.

535. What was the reason for that?—The reason was that in the absence of instructions as to the time at which such surrenders should take place, we thought it prudent to retain the amount in hand until the Comptroller and Auditor General said that it was correct.

536. (To Mr. *Ryan.*) Have you anything to say upon this point?—We could not state that the extra receipts were correct; all we knew was that the Colonial Office had a sum in hand on account of extra receipts which was not paid over, and we thought it our duty to call attention to that fact.

537. Mr. *Sclater-Booth* (to Mr. *Lewes*).] What I understand you to say is, that the extra receipts in question had nothing to do with this particular vote?—We did not conceive that they had the least reference to it; this was an Appropriation Account of the Colonial Office Vote for 1868-69; these extra receipts were realised in respect of another Vote of the previous year, with regard to which no Appropriation Account had been rendered.

538. Mr. *Stansfeld.*] What was that other Vote?—The Vote for Convict Establishments in the Colonies for the year 1867-68; the point was a new one; it had not been touched upon in the instructions; the question was raised in reference to these extra receipts, and instructions were furnished to us.

539. *Chairman.*] Have you complete instructions now on the subject?—We have complete instructions now from the Treasury; the Treasury has told us to pay our extra receipts over to the Exchequer quarterly.

540. It is clearly understood at the Colonial Office, that for the future all such extra receipts are to be surrendered to the Exchequer?—Yes; they will be surrendered quarterly unless directions are given to the contrary.

541. Mr. *Seely.*] When was this money voted?—The money was voted for the service of the year 1867-68, and previous years; it represented the balances of old Votes; there never had been an Appropriation Account rendered in reference to it; it was a balance remaining unexpended of Votes for years previous to 1868-69.

542. Mr. *Sclater-Booth.*] If it was a balance of old Votes, you cannot call it an extra receipt?—It was realised from ration, stoppages the sale of stores, &c. It was realised in passing the accounts of charges against those old Votes.

543. Mr. *Stansfeld.*] The extra receipts in question were entirely receipts; they were not balances of Votes, were they?—Two sums of them were balances remaining in the hands of sub-accountants in the Colonies at the close of the year 1867-68.

544. They were not entirely extra receipts, then?—We were instructed to treat those as extra receipts.

545. Mr.

Sir *W. Dunbar*
Mr. *Anderson.*
Mr. *Foster.*
Mr. *Ryan.*
Mr. *Vine.*
Mr. *Pennefather.*
Mr. *Lewes.*

18 May 1870.

545. Mr. *Seely.*] In whose hands were they?—The sums, except the two which I have just mentioned, were realised in Western Australia, and brought to account by the sub-accountants there. In passing those accounts, these sums were brought to account, and of course they were carried by us to extra receipts. They remained there, as I explained, until we received instructions on the surrender of such receipts to the Exchequer.

546. *Chairman.*] The result seems to be that you did not know that you ought to hand over these extra receipts; but now you know that, and this will not occur again?—We did not know when they should be handed over. It will not occur again.

On Vote 6.

547. (To Mr. *Foster.*) With regard to Sub-head C. "Incidental Expenses," the Comptroller and Auditor General says, "There has been charged the sum of 415 *l.* 8 *s.* in respect of payments to Mr. Coode for expenses and services in connection with the inquiry into the works of Harwich Harbour: these expenses do not, however, appear to have been contemplated by Parliament when the grant was made to the Board of Trade for the year 1868-69; and as, moreover, the annexed correspondence will show that the payment was intended to be an advance, to be recovered from the Harwich Harbour Conservancy Board, it appears to me that the sum in question should not be borne as a final payment upon this Vote"; what do you say to that?—The Treasury concur, and have transferred the sum from the Vote to the Civil Contingencies Fund, as an advance to be recovered.

On Vote 7.

548. *Chairman* (to Mr. *Vine*).] What is the meaning of the term "Fractions," under Sub-head E.?—The estimate was for so many pounds shillings and pence, and the Vote is always taken for even pounds. In this case the Vote was for 6,176 *l.*, instead of 6,175 *l.* 7 *s.* 7 *d.*, as shown in the Estimate.

549. This is the only instance where you have a sub-division "Fractions," is it not?—There may be another, but I am not quite certain about it. The sub-heads ought to have worked up to an even sum in pounds.

550. Mr. *Stansfeld.*] The fractions ought to have been added to the other sub-heads?—Yes.

551. It is clearly a mistake?—Yes.

552. It is evident upon the face of it, that it would be impossible to make any charge against a sub-head "Fractions"?—Yes.

On Vote 8.

553. *Chairman* (to Mr. *Foster*).] The Report of the Comptroller and Auditor General upon Sub-head H. "Curragh of Kildare Salaries" is, that "these payments should have been charged to Civil Contingencies, to be voted in the same manner as the salary of the Ranger of the Curragh, which the Lords of the Treasury directed by their letter of the 4th of September 1868 to be paid out of the Civil Contingencies"; what do you say to that?—Undoubtedly some of the original payments were charged to Civil Contingencies; but it is the view of the Treasury that wherever a charge can fairly be placed against a Vote which applies to expenditure of the same nature, the proper course is to show the charge under the Vote, which naturally would cover expenditure of that kind. It was decided that as these charges were met by the Chief Secretary for Ireland, the expenditure would best appear against the vote which he controls.

554. (To Mr. *Ryan.*) What does the Audit Office say to that?—The Comptroller and Auditor General did not consider that the Vote for "Chief Secretary for Ireland Offices" had any reference whatever to the Curragh of Kildare, and therefore he thought the payment ought to have been out of Civil Contingencies; there was nothing in the Estimates to show that those payments were contemplated at the time they were framed.

555. (To Mr. *Foster.*) Who appoints the bailiffs in the Curragh?—The Lord Lieutenant.

556. Is the deputy ranger of the Curragh appointed by the Lord Lieutenant?—I believe so.

557. Mr. *Seely* (to Mr *Ryan*).] Would not the Lord Lieutenant be more likely to have some control over that expenditure than the party who disburses the Civil Contingencies Fund?—In seeing that the expenditure is rightly apportioned, the Audit Office can only go by the terms of the Vote, and if the terms of the Vote do not appear to meet the expenditure we consider it our duty to point it out. This expenditure had formerly been defrayed from Civil Contingencies. The real error seems to have been in not estimating for it at the time under the Vote for "Chief Secretary for Ireland Offices."

558. *Chairman.*] But supposing the Deputy Ranger of the Curragh is an officer on the Irish establishment under the control of the Chief Secretary for Ireland, do you not consider, under those circumstances, that the wages of his officers should be charged against the Vote for the Chief Secretary's office?—No doubt the Irish Office ought to have taken an estimate for it under that Vote, but we can only go by the terms of the Vote; the fact of the officer being under the Lord Lieutenant does not seem to us to authorise these salaries being charged to a particular Vote in which provision has not been made for them.

559. But there is a special Sub-head, "The Curragh of Kildare," in this Vote?—The Curragh of Kildare sub-head has been introduced into the account. Four sub-heads, from H. to K., have been introduced into the account, which are not in the Estimates laid before Parliament.

560. Mr. *Seely* (to Mr. *Foster*).] Then I apprehend in future years there will be an estimate for those sums?—Yes, it will be so. It was new expenditure, and it was considered that being under the control of the Chief Secretary for Ireland this Vote 8 was the right place to charge it.

561. Mr. *Sclater-Booth.*] The Curragh of Kildare has recently been placed under fresh regulations by Act of Parliament, has it not?—Yes.

562. Mr. *Pollard-Urquhart.*] I see that, under sub-heads I. J. K. of this Vote, there are sundry charges of salaries, travelling and incidental expenses for inspectors of fisheries; are you of opinion that these charges are properly made against this Vote?—I think so, as the expenditure is controlled by the Chief Secretary for Ireland.

563. Considering that there were no sub-heads of this kind in the Vote as originally taken, do you not think that the expenditure would come

Sir *W. Dunbar.* Mr. *Anderson.* Mr. *Foster.* Mr. *Ryan.* Mr. *Vine.* Mr. *Pennefather.*

18 May 1870.

more properly out of the Civil Contingencies Fund?—I think it is very desirable that the expenditure should be charged upon the Vote of the officer who has control over the expenditure. The officer having charge of the expenditure for Civil Contingencies has no control over the Inspectors of Fisheries.

564. *Chairman* (to Mr. *Pennefather*).] It is the case, is it not, that the Inspectors of Salmon Fisheries are now put under the control of the Irish Office?—They are under the Chief Secretary for Ireland.

565. And the old inspectors were under the Home Office?—Yes, they were under the control of the Secretary of State.

566. (To Mr. *Foster.*) That being so, if there had been any surplus on the vote for the old Inspectors of Fisheries, who were abolished, it would not be properly applicable to the pay of the inspectors who are put under the administration of the Chief Secretary for Ireland?—Certainly not; it was the duty of the Home Office to surrender the money.

On Vote 15.

Mr. James Beeby, called in; and Examined.

Mr. *J. Beeby.*

567. *Chairman.*] Has your attention been called to the note on Sub-head N. under this Vote: "The excess of payments over estimate was occasioned by satisfying a claim made by the Admiralty for stores supplied to quarantine vessels, which had been allowed to accumulate for five years, and amounted to nearly 200 *l.*, and by the employment of extra medical officers consequent upon the unusual sickness of the season;" why did you not send in your account to the Privy Council Office year by year?—I am not prepared to answer that question without looking into the case. I was not prepared to be examined upon this point.

568. But I suppose you would admit that the right course is to send in the account year by year, and to claim from the Privy Council Office the amount due for stores every year?—Certainly. There must have been something very unusual to have brought about such an occurrence as this.

On Vote 17.

569. *Chairman* (to *Mr. Foster*).] A question has arisen, has it not, between the Exchequer and Audit Department and the Treasury, as to who should render the account of this Vote?—Yes.

570. The principle of the Exchequer and Audit Act is this, that there should be a person or a department charged with the duty of rendering the account of the Vote, and that the Comptroller and Auditor General, by the assistance of his officers, should audit the account?—Yes.

571. That is the general principle?—That is the general principle.

572. Where the account is rendered by a person in the Exchequer and Audit Department itself, and audited by the Comptroller and Auditor General, the Treasury think that that principle is departed from?—It seemed to be so in the view of the Treasury.

573. It complies with the terms of the Act, but you think that it is not within the spirit of the Act, is that so?—It appeared to us that the Exchequer and Audit Department, as a department of audit, should not mix up with those audit duties the duty of rendering an account to itself.

574. I believe under the Treasury Minute that defined who was to render the account, a particular officer in the Exchequer and Audit Department was charged with the duty of rendering the accounts of that department?—Yes.

575. That officer was the secretary, I believe?—Yes, the secretary was selected.

576. But you consider that he being an officer under the control of the head of the department, the account rendered by him is not an account rendered by an officer who is independent of the department that audits?—I think that, as forming a part of the Audit Department, he is not sufficiently independent.

577. In order to get out of that difficulty, it is proposed by the Treasury that the Treasury should render the account of the expenditure of the Exchequer and Audit Department?—Yes; that the Treasury should conduct the expenditure, and render the account.

578. But it would be an unnatural arrangement, would it not, for the Treasury to render an account of the expenditure of the Exchequer and Audit Department, it being an independent department?—The Treasury conducts the expenditure, and renders the account for a great many different departments; for instance, the expenditure for the courts of common law is entirely conducted by the Treasury, and the account is rendered by the Treasury.

579. But in the case of the Exchequer and Audit Department the expenditure is made by that department now; in fact, it consists of salaries principally, does it not?—It is chiefly salaries.

580. The person who would pay the salaries would be a person in the department of the Comptroller and Auditor General, would he not?—According to the new system the Treasury signs a salary list, which is a direction to the Paymaster General to pay these salaries.

581. Would it not be more appropriate for a Treasury officer to render the account of this department than for a Treasury officer to render the account to the Foreign Office, for instance?—I think in both cases it is an inconvenient arrangement, and one that should not be adopted unless there are strong grounds for departing from the general rule.

582. Mr. *Sclater-Booth.*] In your view, the Exchequer and Audit Department is placed in a false position; it is giving the Appropriation Account of its own expenditure?—Yes.

583. And you wish to undertake the expenditure, and let the Comptroller and Auditor General take from you the Appropriation Account?—There being a difficulty, that seems to me the best way out of it.

584. *Chairman.*] In order that the right person may transact the audit, you make the wrong person render the account; that is the proposition, is it not?—The Treasury has full knowledge of what the expenditure ought to be, and it has no difficulty in directing the Paymaster General to pay it; whereas it is clear that the Treasury

Sir *W. Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*
Mr. *Ryan.*
Mr. *Vine.*

18 May 1870.

Treasury could not well undertake the detailed audit of the expenditure.

585. Mr. *Seely.*] What do you mean by saying that the Treasury should conduct the expenditure of the Audit Department?—That they should authorise the Paymaster General to make the payments.

586. But who is to say that the parties shall be employed for whom those payments are to be made?—That is a separate question. The establishment is fixed by the Treasury for all departments.

587. Are the parties who are employed named by the Treasury?—They are appointed by the Treasury in the first instance. The promotion in the office is made by the Comptroller and Auditor General.

588. Then the Treasury has the power of appointing all the Auditor General's subordinates?—The original appointment of all the clerks is made by the Treasury.

589. Are the salaries fixed by the Treasury?—The establishment of salaries is fixed by the Treasury, and confirmed by Order in Council.

590. And are all incidental expenses controlled and authorised by the Treasury?—An amount is granted upon the Estimates to meet incidental expenses of a certain class, which are left to the discretion of the head of the department.

591. *Chairman.*] Do you not think that the rendering of the account by the Treasury, instead of by an officer of the Exchequer and Audit Department, tends to render the Exchequer and Audit Department more dependent upon the Treasury than it would otherwise be?—I do not see in what way it would have that effect. The salaries are all fixed. It is a mere question of carrying out what is settled beforehand. Each clerk has his own salary, and the only question is, in what manner a payment is to be made.

592. We will take the case of the Home Office, which we were just discussing; the Home Office renders the account for the subordinate departments under it, does it not?—Yes.

593. And that is the general principle that the Treasury has gone upon in settling who shall render the account, namely, to make the head office responsible for rendering the accounts of the subordinate departments within its control?—Yes.

594. If you applied that practice to the case of the Exchequer and Audit Department, and allowed the Treasury to account for the Exchequer and Audit Vote, do you not think that that would create an impression generally, I will not say in the public mind, but in the official mind, that the Exchequer and Audit Department was to a certain extent subordinate to the Treasury?—I think it is so well known that the Treasury has the control of the establishments and salaries of all offices, that I do not think the mere fact of the Treasury signing the salary list would increase the impression.

595. (To Sir *William Dunbar.*) What do you say as to that view?—I wish, in the first place, to put in a correspondence which has taken place between the Treasury and the Exchequer and Audit Department upon this subject, which will show, in the first instance, in what way the sum voted for the Exchequer and Audit Department has hitherto been accounted for, and then how it is proposed that in future it shall be accounted for. (*The same was handed in*, vide *Appendix.*)

Now I apprehend that if any difficulty has occurred of a nature to make it requisite that the Exchequer and Audit Account should be differently audited, the proper course would have been to have appointed an independent examiner or auditor, unconnected with the Auditor General himself, to audit that account, or to sign his report to Parliament, together with him. I think that the proposal to hand over the account to the Treasury will more or less have the effect indicated by the Chairman, of conveying an impression to the public departments that the Exchequer and Audit Department is more or less under the control of the Treasury. Now I wish to explain to the Committee what the position of the Comptroller and Auditor General really was intended to be. Mr. Gladstone, in his speech on the 15th of June 1865, when he proposed to combine the offices of Comptroller General of the Exchequer and of Chairman of the Board of Audit in one person, made use of these expressions: "The Comptroller of the Exchequer was at the head of an ancient office. The office was invested with dignity and considerable emolument, was of the very highest station in the permanent Civil Service, and comprised functions which required entire independence of the executive Government." Then, as a justification of the union of that office with the office of the head of the Audit Department, he stated that, thinking that the union of these two offices desirable, "he would for those reasons place the tenure of the combined offices on a higher footing. The recommendation of the Select Committee that the head of the Audit Office should be considered to hold one of the first positions in the Civil Service, was a reason for raising, not only his salary, but his office, to the highest position of dignity and independence."

596. Then your view is that the position of independence would be lowered, supposing that the account was rendered in the manner suggested by the Treasury?—Yes, I think it would; in the first place it would convey the impression you have indicated; in the next place it would be in the power of the Treasury, if it thought fit, to prevent, I may say, or to interfere more or less with the efficient discharge of his duties by the Comptroller and Auditor General.

597. Mr. *Stansfeld.*] I quite understand your evidence with regard to the impression that might be produced upon other departments; but what new power would this arrangement give to the Treasury, or what new control over the payment of your establishment?—As regards the payment of the salaries, I think it of importance that the officers serving under the Comptroller and Auditor General should be made as independent of the Treasury as they can possibly be, and that they should not be placed under any influences whatever that would lead them to suppose that their future prospects depended not upon the head of their department but upon the Treasury; with regard to the incidental expenses they are composed of various items; I will only instance one with respect to which I think the Treasury might prejudicially interfere with the exercise of his duties by the Comptroller and Auditor General; there is a sum of 70 *l.* taken annually for the purpose of enabling the Comptroller and Auditor General to take legal opinions, when he finds it necessary so to do, to aid his judgment; now, supposing that a case were to occur as has occurred before now in which the

Sir W. *Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*
Mr. *Ryan.*
Mr. *Vine.*

18 May 1870.

Treasury itself was interested, the Treasury might decline in such a case to allow the Comptroller and Auditor General to expend any money in that way, although it would be for the obvious purpose of discharging his duties.

598. I think you have hardly apprehended my question; I quite understood already your opinion as to the effect that this proposed arrangement might have upon other departments; but in what way does it increase the positive and actual control of the Treasury over the expenditure of your department; has not the Treasury at this moment, or had it not before this arrangement, the same amount of control as it will have under that arrangement? — It will certainly increase the control of the Treasury, though it may be more apparent than real.

599. Am I right in this, that this arrangement does not strengthen or make more stringent the ctual control of the Treasury?—Perhaps not so much the actual as the apparent control; I suggest that that objection may be obviated by allowing the present plan of the secretary of the Audit Board rendering the account for audit to continue, and combining, with the Comptroller and Auditor General, an independent officer who shall sign that account.

600. With reference to that suggestion of yours, no doubt you have looked carefully into the Exchequer and Audit Act, would that be an arrangement not inconsistent, in your opinion, with the provisions of the Act?—It would be inconsistent with the provisions of the Act; and I hold that in spirit the proposal now made on the part of the Treasury is inconsistent with the provisions of the Act.

601. *Chairman.*] The arrangement proposed by the Treasury would be within the terms of the Act, would it not; if I remember the section right, the Treasury are to determine in the case of every Vote what department or officer shall render the account; therefore it would be within the power given to the Treasury if they appointed one of their own officers to do it?—It would be within the letter of the Act, but I say that in this case it would not be within the spirit of the Act.

602. In case of your suggestion being adopted of having an independent person to sign the account with the Comptroller and Auditor General, that would not be contrary to the provisions of the Act, but it would be outside the Act, would it not?—It would be outside the Act, but it would be in conformity with the spirit of the Act. I would also remark, that while the Treasury propose now to render the account of the Exchequer and Audit Department themselves, the Army and Navy Accounts are not audited, in the true sense of the word, but the certificate of two subordinate officers in those special cases is received as a complete clearance for those accounts.

603. Mr. *Fowler.*] You referred just now, which I think was a very pertinent illustration, to the question of incidental expenses, and you said that if you wanted extra legal assistance, you did not wish to have the getting it or not getting it dependent on the will of the Treasury?—Yes.

604. But if I understand the matter rightly, it is the case at the present moment, that if you want more money, that money must come from the Treasury, and, therefore, your independence at the present moment, if I understand it rightly, is not so complete as you would wish it to be?—I conceive that, under the present circumstances, the Comptroller and Auditor General has, to the extent of 70 *l.*, voted annually for legal expenses, incident to the execution of his duties, the power to take advice whenever he thinks fit.

605. You say that he might want more assistance, and that he might want assistance in a case in which the Treasury were particularly interested; and, therefore, you do not like the Treasury having the power of opposing the expenditure of that money; but they have that power at this moment, have they not?—No, I do not think they have. I hold that, at the present moment, the Comptroller and Auditor General has, within the amount voted by Parliament annually for the purpose of discharging those duties, the power of taking advice whenever he thinks fit.

606. Mr. *Stansfeld.*] And he would continue to have that power if these arrangements were made, would he not; I understand your opinion to be that there would be no difference in the actual control but the Treasury?—The Comptroller and Auditor General must go the Treasury for that money for the future, and he must obtain the sanction of the Treasury when he proposes to take such advice.

607. Mr. *Fowler.*] But that is the case now, is it not?—No.

608. Mr. *Liddell.*] I apprehend that the salaries of yourself and the officers who act under you are fixed by Act of Parliament, are they not?—The salaries of myself and of my assistant are fixed by Act of Parliament.

609. Are not the salaries of the subordinate officers of your department fixed by Act of Parliament?—No, they are not; they are fixed by Order in Council.

610. Is it in the power of the Treasury (because this question affects the relations between your own department and the Treasury) to increase or to diminish those salaries at will?—It is.

611. In that sense you are dependent to that extent upon the Treasury now, are you not?—We are.

612. Supposing a vacancy occurs, who fills it up?—If a vacancy occurs in the higher class of officers, the promotion is made by the Comptroller and Auditor General, but in the case of a vacancy among the juniors, the first appointment is made by the Treasury; in a recent case, I made a promotion, which the Treasury disputed; they contested my right to promote, and it formed the subject of a long correspondence.

613. Is not that a state of things, in which a person holding the rank that you do, would feel that that condition of dependence was, in some degree, detrimental to your authority?—I think it is seriously detrimental; I hold it to be one of the defects (I think there are three) in the Exchequer and Audit Act; it is contrary to the principles of the Act, and it is contrary, I may say, to the established practice in all businesses of a like kind.

614. Mr. *Sclater-Booth.*] I think there is this distinction between the salaries of the Comptroller and Auditor General and his second in command, and the salaries of the remaining subordinate officers in his department, that the former are placed as a charge upon the Consolidated Fund, while the latter are placed upon the Votes of Parliament; is not that so?—Yes; the latter are placed upon the Votes of Parliament.

615. Mr. *Liddell* (to Mr. *Foster*).] Do you think

think it essential that the powers at present vested in the Treasury, with respect to the sanctioning of promotions in the department of the Comptroller and Auditor General, should continue in the hands of the Treasury, as they are now?—My view is that the independence of the Comptroller and Auditor General is not in any way affected by the present arrangement; the establishment and salaries of the department are fixed by an Order in Council, and cannot be altered by the Treasury without a fresh Order in Council; the appointments to the office are made by the Treasury, to the junior class of clerks; the Treasury confers a favour, no doubt, upon the friends of a candidate, in appointing him, but once in the office, he knows that his chief is the Comptroller and Auditor General, and that his advancement in life depends upon him, and not upon the Treasury; therefore, the moment he joins the office I consider that his independence of the Treasury is complete.

616. But do you not think that the Comptroller and Auditor General, in the case of a promotion in his office, that is to say, the advancement of a subordinate clerk to a higher post, is better able to judge of the qualifications of a person in his office for the advancement than an outside department, such as the Treasury?—The Comptroller and Auditor General does promote in his office.

617. (To Sir *William Dunbar.*) I thought we had heard from you that your right of promotion had been contested?—It has been contested in one case, but there is no doubt of the fact that the Comptroller and Auditor General has the promotion in his own office in his own hands.

618. Mr. *Stansfeld.*] On what ground was your right to make that special promotion contested?—By the death of the head messenger and office keeper in my office a vacancy occurred; I promoted the messenger in the office whom I thought best fitted for the duties, and two days afterwards I received a communication from the Treasury to the effect that I had no right to exercise any such power; that the office keeper or head messenger was a substantive office, and that I was consequently precluded from making any such appointment. I may state that I did not admit that view of the case; on the contrary, I acted upon what I conceived to be the law.

619. Then the question which happened to be raised by the Treasury in this case, was not whether you had the right of promotion in your own office, but whether this was a promotion?—Yes; whether this was a promotion.

620. *Chairman* (to Mr. *Foster*).] What do you say to the suggestion that some independent person should give a certificate, together with the report of the Comptroller and Auditor General, with respect to the account of this particular department?—I may say, first, that I believe the Treasury has not the smallest wish to have the charge of the account of the Exchequer and Audit Department; they only made this arrangement, which is under discussion, to meet a difficulty. With regard to appointing an independent officer to audit the account of the Audit Office I see no great objection to it, except that I think it is a very simple matter, and not worth the trouble and expense of having a special auditor for the purpose. There will be some cost involved, which I do not think would be worth incurring.

621. What would be the cost?—You would have to select an officer of some standing, or an independent person of some standing, and to give him a salary. The smallest salary that you can offer to a person in that position would, in my view, far exceed the value of the services, which can be provided for in a very simple way otherwise.

622. (To Sir *William Dunbar.*) When you made this suggestion, who did you propose should be the independent person; some other Government official, or some person outside the Government departments?—It would be a matter of complete indifference to me whether a Government official or some person outside the Government departments were appointed.

623. Has it occurred to you what arrangement should be made?—No, it has not.

624. (To Mr. *Anderson.*) What do you say upon this subject?—I think that if the Committee will read the correspondence which has taken place between the Comptroller and Auditor General and the Treasury, they will see that the present arrangement provides every security which could possibly be required for the proper administration of that Vote.

625. Mr. *Stansfeld.*] What do you mean by "the present arrangement"?—The arrangement which has existed up to the present time.

626. *Chairman.*] You think it is perfect now?—I think it is perfect now. Although the account is rendered and the examination of it performed in the Audit Office, there is no interference with the audit of it. It is treated just like any other account. I think the question ought not to have been mooted at all.

627. Mr. *Pollard-Urquhart.*] Then you do not think that the present arrangement could be so abused as in any way to interfere with the independence of the Audit Office?—I think there is not the slightest objection to the arrangement which has hitherto been in practice. I am quite sure that the Committee will come to that opinion if they read the correspondence.

628. *Chairman.*] Your opinion is the reverse of that put to you in the question; you think that the arrangement formerly laid down by the Treasury cannot be abused by the Audit Office, so that the accounts shall not be properly audited?—Yes, my view is, that the account is audited as independently as any other which comes before us.

629. Mr. *Pollard-Urquhart.*] Will you state distinctly, what is the present arrangement with respect to the auditing of the accounts of the Audit Office; by whom are the accounts furnished to the Audit Office?—By a person named by the Treasury to render the account; he is, so far as the Comptroller and Auditor General is concerned, an accountant, just in the same manner as every other person who renders an account to him; and when the account comes in for examination, it is referred to an inspector, who audits it in precisely the same manner as he does any other account. He puts his queries, and decisions are given upon them; but there is no question as to any discretion of the Comptroller and Auditor General in respect of that expenditure, inasmuch as everything is authorised, either by Act of Parliament, or by Order in Council, and the examiner tests the account with reference to those authorities, just as he does every other account.

630. *Chairman.*] What you say is this; that the Audit would be conducted just as strictly in the case of the account rendered by the Secretary

Sir *W. Dunbar.* Mr. *Anderson.* Mr. *Foster.* Mr. *Ryan.* Mr. *Vine.*

18 May 1870.

of the Audit Office, as in the case of an account rendered by an officer of any other department? —Precisely.

631. (To Mr. *Foster.*) What do you say to that?—I have no doubt that the duty would usually be very well performed. At the same time there is the bias of its being one's own office, and in the next place, the queries having been made, it rests with the officers of the Audit Department to state what steps shall be taken upon those queries. No notice may be taken of those queries, they may be dealt with much more leniently than they would be in the case of another account.—(Sir *William Dunbar.*) I would state, with regard to the salaries, that it would not be possible for the Comptroller and Auditor General to authorise any sum to be paid in excess of what is allowed by Order in Council or by the Treasury without its being shown upon the face of the account. It must be shown upon the face of the account and noticed by him in his report. The Committee would be put in complete possession of the facts if they would read or let me read the correspondence.

632. Mr. *Pollard-Urquhart* (to Mr. *Anderson*).] Am I to understand that it is your distinct opinion that the arrangement just described by yourself cannot be so abused by the Treasury as in any way to interfere with the independence of the Audit Office?—I think the arrangements which were made under the late Board of Audit and continued under the present consolidated office, afford every security you can require for the proper examination of the account.

633. My question is, can it be so abused by the Treasury as to interfere in any way with the independence of the Audit Office?—The arrangement hitherto adopted is not open to that objection.

634. *Chairman.*] There has been a new arrangement proposed by the Treasury?—Yes, but it has not come into operation yet.

635. Mr. *Pollard-Urquhart.*] What I wish to ask you is, is it your opinion that the new arrangement, which has just been proposed by the Treasury, could be so abused by the Treasury as to interfere with the independence of the Audit Office?—No, I think not; I do not consider that it could be abused, but I think the change is an unnecessary one.

636. Mr. *Fowler* (to Sir *William Dunbar*).] If I understand you rightly, you do not wish to audit the account of your own department?—I have no wish to audit the account of my own department; but I contend that the present audit is an independent audit as far as it goes, and that it is as reliable as the audit of any Appropriation Account presented to the House of Commons. This correspondence explains it all. The Treasury addressed to me a letter, upon the supposition that I was both the accountant and the auditor. In my reply to that letter I showed that I was but the auditor, and not the accountant; that the Treasury had overlooked the fact that they had themselves appointed the secretary to render the account, acting as the accountant under their regulations. Mr. Ryan was appointed the accountant, under a letter dated the 25th of March 1867, written by your present Chairman, who had all these matters under his consideration, and who dealt with the anomaly of the Comptroller and Auditor General being, as he would otherwise have been, both the accountant and the auditor, by appointing a separate officer, and laying down for him strict regulations, under which he, in common with all the other public accountants, should act. Mr. Ryan, therefore, is the Accountant to the Treasury; he delivers the account to the examiner, the examiner makes his examination in accordance with the regulations laid down by the department, and I do not see that account until it is laid before me by the inspector. To all practical intents and purposes, it is an independent audit. But I consider it so important that the principle I have always contended for, that the Accounting Department should not audit its own accounts, should be maintained, that when the proposition was made to me by the Treasury that Mr. Ryan should be relieved of the account, I at once assented to the proposal. I did not wish to put any obstacles in the way of carrying out the principle in its strictness, though I cannot but feel that the Comptroller and Auditor General is put on a much lower level than even the subordinate officers in other departments.

On Vote 20.

637. Mr. *Goldney* (to Mr. *Foster*).] How has the diminution of 1,795 *l.* 7 *s.* 6 *d.* taken place on Sub-head E. for the travelling of the Poor Law Inspectors?—I cannot say whether any of the inspectors have been induced to take the higher salary, and give up their travelling expenses; but I should rather imagine that it was in consequence of new appointments; the new officers taking the higher salaries, and losing their travelling allowances.

633. Should you be able to ascertain how this is if the question is postponed?—I could ascertain it from the Poor Law Commission.

639. I should like to know, because this forms an enormous amount compared to the school inspectors, whether this is an optional arrangement, or whether the saving is in consequence of new appointments?—I will look into the matter.

640. You will be able to tell me next time whether it is by an order of the Board making it compulsory, or whether it is optional for them to take it?—I will.

On Vote 23.

641. Mr. *Sclater-Booth* (to Mr. *Foster*).] Why is there the addition of "Imprest Expenses" to the title of this Vote "Inclosure and Drainage Acts"?—The expenses are recovered.

642. Money is advanced by the Commissioners to be repaid by the parties, is that it?—Yes, it is reclaimed from the parties; if you look at the bottom of the Estimate you will see that the Extra Receipts recovered have been 11,404 *l.*, which is about equal to the grant.

643. Mr. *Goldney.*] Just the same question arises with regard to the expenditure here as arose on the former Vote; there has been some fixed arrangement with regard to these expenses of the Assistant Commissioners, and they have been reduced to the amount actually incurred; with regard to the "Salaries," "Travelling" and "Incidentals," Note A. is "Salaries or Allowances to Assistant Commissioners, who are paid according to the work performed, over estimated;" did they have a fixed amount as the Poor Law

Law Inspectors had formerly, or have now for their travelling?—It is according to the work performed.

644. Is that always so or only this time?—I think it is always so. With regard to the over estimate, I think it right to state, with reference to this Vote and a great many others, that this is the first year in which the expenditure was divided under these sub-heads, and that the departments had no means of getting the exact figures as to what the expenditure under these sub-heads had previously been. They had, therefore, in many cases, to make a very rough guess in dividing the total expenditure under the sub-heads.

645. Do you think it a great advantage to have the division?—Yes, a very great advantage, it will make all future Estimates much more accurate.

On Vote 29.

646. Mr. *Goldney.*] The same thing occurs here: in all these Estimates for travelling, the actual amount works out much less than was taken, I think?—I think the tendency of the departments, generally, is to provide amply for what might happen and then they spend as little as they can.

647. Was this estimated in a gross sum for the Charity Commission?—Yes.

648. And paid in a gross sum?—Yes.

On Vote 31.

649. Mr. *Pollard-Urquhart.*] There is this remark of the Comptroller and Auditor General's, at paragraph 3: "In the note attached to the account, the sum realised in the year 1868-69 as 'Extra Receipts,' and paid over to the Exchequer, is stated to be 22,881 *l.* 8 *s.* 7 *d.*; but it appears from the examination of the periodical accounts of this service that the amount of extra receipts realised during the year 1868-69 was 24,453 *l.* 19 *s.* 11 *d.*," whereas only 22,880 *l.* has been paid into the Exchequer: we want to know why the whole has not been paid into the Exchequer?—I have a letter, written by Mr. Greg, the Comptroller, upon the point, which perhaps the Committee would wish me to read. It is dated the 12th April 1870: "In reply to your letter of the 28th ultimo, No. 1,455, I have the honour to state, for the information of the Lords of the Treasury, that the account of the Exchequer Extra Receipts for the year 1868-69 was as follows: Due to the Exchequer on the 1st of April 1868, as an arrear of 1867-68, 6,422 *l.* 10 *s.* 10 *d.*; realised in 1868-69, 24,353 *l.* 19 *s.* 11 *d.*; total, 30,776 *l.* 10 *s.* 9 *d.* Transferred in 1868-69, 22,880 *l.* 0 *s.* 7 *d.*; leaving a balance due to the Exchequer, on the 31st of March 1869, of 7,896 *l.* 10 *s.* 2 *d.* This sum of 7,896 *l.* 10 *s.* 2 *d.* represents the receipts during the last quarter of the year, and it was paid to the Exchequer very early in the succeeding year, 1869-70. During the past year however, I adopted the plan of making a separate transfer, applicable to each month's receipts, and at the close of the year, namely, the 31st ultimo, the only sum remaining due was the receipts for March, which I presume must always be the case, as the March account of these receipts is not rendered to me by the Paymaster General until about the 20th of the following April."

650. *Chairman.*] It appears that it was very difficult for them to ascertain the amount to be paid to the Exchequer in respect of the last month?—Yes, as regards the last month you never can ascertain it till after its close.

651. This is the substance of it; the account is taken monthly, and the surrenders are made monthly?—The account is made out monthly, and the amount is paid over monthly to the Exchequer.

652. And therefore there is always a current account upon the last month?—Yes.

653. Mr. *Pollard-Urquhart.*] It is merely the sum that accrued during the last month that remained not paid over?—Yes.

654. (To Sir *William Dunbar.*) Have you anything further to say upon that?—No, I think not.

On Vote 34.

655. Mr. *Pollard-Urquhart* (to Mr. *Foster*).] The observation of the Comptroller and Auditor General, in paragraph 2, is to the effect that "under Sub-head B. of the account 'Travelling Expenses,' the sum of 4 *l.* 14 *s.* 7 *d.* is included in respect of a payment made without authority;" has your attention been called to that?—Yes.

656. Mr. *Stansfeld.*] Has there been authority given for that since?—The amount has been disallowed, and the accountant has repaid it.

On Vote 40.

657. Mr. *Stansfeld.*] The explanation of the excess upon Sub-head A. "Salaries" is this: "Excess of expenditure caused by one quarter's salary to the officers to the 1st of April 1868" (that is to the end of the previous financial year), "not being provided for;" I presume that that means not having been paid in the previous financial year?—Exactly.

On Vote 2, Class 3.

658. *Chairman.*] There is a surplus of 108 *l.* 15 *s.* 10 *d.* on Sub-head C., which is explained as having arisen from payments of salaries in the year having fallen short of the sum required. The Comptroller and Auditor General's Report upon it is: "In the Treasury Minute the amounts payable to each are distinctly apportioned; but it appears, by replies to applications for the receipt of the clerk, that the accountant has not been able to obtain it"; can you explain how that surplus arose?—The facts of the case are these: one of the clerks of assize was entitled to his own salary, and there was also in the Estimate a vote of 100 *l.* for his clerk. The clerk of assize sent in his account, charging his own salary and the 100 *l.* for the clerk, and the amount was paid to him; in preparing the account for audit, it was found that there was no receipt for the salary of the clerk, and Sir John Bailey has frequently been written to to supply it, but we can get no satisfactory reply from him; the consequence is that we have called for the receipt of his clerk for the current quarters, and have not paid the money, and we are thus gradually obtaining vouchers to cover the payment of the 100 *l.*

659. Then, in fact, the money will be saved to the Exchequer?—Yes.

Sir *W. Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*
Mr. *Ryan.*
Mr. *Vine.*

18 May 1870.

On Vote 3.

660. Mr. *Pollard-Urquhart.*] There is a very large deficiency on this Vote; the explanation is that "these excesses are attributable to the aggregate number of constables employed in the several counties and boroughs having exceeded those estimated for in 1868-69"; I suppose that that is a matter which is not within the cognisance of the Treasury?—The Treasury has no option in providing for the expenditure under this Vote.

On Vote 4.

661. There is a considerable increase in Sub-head F. in this Vote on Salaries "Masters' Offices"; the explanation of which is that "a revision of the salaries of the masters' offices took place subsequently to the estimated cost thereof being voted; hence this excess on the Vote for the year 1868-69": can you tell the Committee to what extent additional salaries would be given or old ones increased, without the consent of Parliament, after a certain sum has been voted for salaries?—I believe the change in the amount of salaries is in consequence of an Act of Parliament which was passed, and which compelled the Treasury to assent to the increase.

662. *Chairman.*] That is not quite correct, is it; under the authority of an Act of Parliament the Treasury and the chiefs of the courts may settle the salaries; is not that so?—Yes, I presume that that is so.

663. Mr. *Stansfeld.*] With reference to Mr. Pollard-Urquhart's question, has it not always been held to be a matter of discretion with the Treasury how far they shall sanction increases of salaries upon any establishment after an Estimate has been laid upon the Table of the House?—That has always been the practice, and I cannot conceive of the service working otherwise.

664. Though a matter of discretion, is it not the case that the discretion is generally exercised in this sense, that the Treasury avoids sanctioning increases to salaries during the currency of the financial year, unless a clear case of urgency is shown?—As far as possible that is the case; and generally, if sanction is given, it has been with the view of carrying out economical arrangements, where by the increase of a salary other salaries are saved.

665. Cases very often occur, do they not, in which departments apply to the Treasury to sanction the raising of salaries, and the Treasury intimates that the question shall be postponed for consideration until the next year's Estimates are framed?—That very often happens.

666. Mr. *Liddell.*] You said, as I understood you, that the Treasury, unless it found itself in a position to increase a salary out of savings or reductions in other salaries, would demur at once to sanctioning such an increase?—It would not demur if it thought it would be beneficial for the service, and that the case was pressing.

667. *Chairman.*] There may be cases, may there not, where, upon an inquiry at the instance of a head of a department, the Treasury may be satisfied that justice has not been done to the officers in the matter of salary, and in that case they may sometimes decide that the increase of salary should date within the financial year, though no provision has been made in the Estimate for it?—That frequently happens.

668. But unless there is some urgent reason of that sort, it is the general practice for the Secretary to the Treasury to postpone the increases until there is a new Estimate framed?—Yes, as far as that can be done without inconvenience to the service, or injustice to individuals.

669. Is it not the case, that with regard to most of the departments, the matter rests within the discretion of the Treasury without the sanction of an Act of Parliament?—In most cases it does.

670. But, in certain cases, Acts of Parliament have laid down, that the Treasury may adjust the salaries, and increase the salaries of officers?—That has been so in some cases.

671. And in those cases it would clearly be regular for them to exercise the powers given them by the Act, if they thought it desirable, even though it was in the middle of the financial year?—That would only be carrying out the provisions of the Act.

672. Mr. *Seely.*] There is this explanation of the saving under Sub-head M.: "This saving is nominal only; owing to the death of the late Registrar, the arrears of salary due to that officer became a charge on the Vote for 1869-70:" will you have the goodness to explain that; I do not quite understand it?—I presume the officer died rather late in the year, and the probate of his will, or the letters of administration, were not presented within the year, and therefore the payment could not take place until the following financial year, so that it became expenditure of the following financial year.

763. The explanation of the saving on Sub-head Q. is "These allowances were not paid until after the expiration of the financial year; hence this apparent saving:" why were they not paid in the financial year?—I presume they were not asked for; it is not the practice of the Treasury to offer money to parties. We always make it a point to wait until money is asked for, and I presume the officers did not ask for the allowances.

On Vote 6.

Mr. Stevenson A. Blackwood, called in; and Examined.

Mr. *Blackwood.*

674. Mr. *Stansfeld* (to Mr. *Blackwood*).] There is a deficiency on the County Prisons and Reformatories under this Vote, under Sub-head E., "Maintenance of Criminal Lunatics in Private Lunatic Asylums," of 1,159 *l.*: is this owing to the fact that the transfer of the criminal lunatics from those private lunatic asylums to Broadmoor Asylum took place so late in the previous year 1867-68 as to cause greater charges to fall upon the year 1868-69 than were contemplated when the Estimate was framed?—It is owing to that fact.

675. *Chairman.*] Do you mean that the charge did not arise within the year 1867-68?—Exactly so; it fell over into the next year.

676. Do you mean that the liability did not accrue in the year 1867-68, or that the account was not paid?—The liability accrued in the year 1867-68,

1867-68, but the account did not come in for payment until 1868-69.

677. It was not brought to account till that year?—No; it was not brought to account until that year, and no provision had been made for it in the year 1868-69, in consequence of its not having been expected that these charges would have to be paid in that year.

On Vote 7.

678. Mr. *Pollard-Urquhart* (to Mr. *Ryan*).] The Comptroller and Auditor General has made a note concerning this Vote, saying that he has advised that part of the salaries which were included under Sub-head A. should be charged under an additional Sub-head I., and that for the future he would recommend their forming part of the Estimates for Superannuation and Retired Allowances, Class 6: have you had any correspondence with the Treasury upon that subject?—The Treasury have adopted that suggestion.

679. Mr. *Stansfeld* (to Mr. *Foster*).] That is so, is it not?—Yes, that is so.

680. Mr. *Goldney*.] I observe that in nearly every item under this vote, the grant and expenditure vary very largely; some items vary to the extent of 20,000 *l*., some 13,000 *l*., and some 5,000 *l*.: there is a variation under Sub-head A. of about 20,000 *l*.; in that case the expenditure was less than the grant: there was an Act of Parliament passed some three or four years ago, enabling the high bailiffs, who were not considered to be any longer necessary, to retire on some terms or other; does that account for the saving in this case?—I cannot give an explanation of it.

681. The next item is B. "Fixed Allowance for Travelling"; the persons to whom that applies have commuted their chance expenses for a fixed allowance; how does that great increase of 2,398 *l*. arise?—There is a footnote relating to it.

682. *Chairman*.] Would it not be the case that that arises from a more accurate distribution of the charges between the two Sub-heads?—I have no doubt that part of it would be accounted for by that.

683. The explanation given under Sub-head B. is this, "The difference arises from transfer from Sub-head A. of allowances for travelling to registrars and high bailiffs"; if that explanation was correct, it would show that there had been previously inaccurately taken, under the head of salaries, things which were allowances, and not salaries?—I think so.

On Vote 11.

684. *Chairman* (to Mr. *Blackwood*).] The expenses of "prosecutions, prosecutors, and witnesses" are always rather a vague estimate, are they not?—Very.

685. You can only go by the experience of the last year or the last few years, and that is either liable to be exceeded, or the amount required not to come up to the amount taken?—Quite so.

686. And the department has no control whatever over it?—No.

687. It depends upon the extent of crime, the nature of the crime, and the expense of prosecuting in particular cases?—Yes.

688. And may it not be the case that in some particular year the prosecutions may be very expensive indeed?—That has often been the case.

689. Mr. *Pollard-Urquhart*.] The diminution of the expense may possibly arise from the lessened number of political offenders?—Yes.

Sir *W. Dunbar*.
Mr. *Anderson*.
Mr. *Foster*.
Mr. *Ryan*.
Mr. *Vine*.
Mr. *Blackwood*.

18 May 1870.

On Vote 12.

690. (To Mr. *Foster*.) In the remarks of the Comptroller and Auditor General he says, "The expenditure under Sub-heads B. C. and F. has exceeded the amounts included in the Estimates laid before Parliament, and no authority from the Treasury has been produced for defraying the deficiencies out of the savings on other sub-heads:" can you explain to us why the Treasury has refused its authority in this case?—The Treasury has not refused it; it has since given its sanction.

On Vote 14.

691. I observe that there is a very considerable saving on Sub-head A. for "Maintenance of Prisoners in County Prisons," on which the Comptroller and Auditor General remarks, that no explanation has been offered by the Accountant, as provided for in the form of account: has any explanation been furnished since?—Yes. On the 31st of March last, the Chief Secretary for Ireland informed us that "a saving upon Sub-head A. of the Vote for County Prisons, Ireland, arose from the charges for the maintenance of the ordinary prisoners in county prisons, for which the Vote was taken, brought to account, having fallen short of the Vote; and the deficiency under Sub-head B. arose from no vote having been taken for the maintenance of political prisoners; the expense was charged to the Vote by the direction of their Lordships." There is further inquiry being made upon these subjects. The statement that a saving upon Sub-head A. arose from the charges for the maintenance of ordinary prisoners in county prisons brought to account having fallen short of the Vote was not considered a satisfactory explanation; and we have asked for a further explanation.

On Vote 15.

692. Mr. *Pollard-Urquhart* (to Sir *William Dunbar*).] I would call your attention to page 119, Vote 15, and your report thereon, at paragraph 5: can you tell me whether the statement of the Lord Advocate relative to this Vote has been received since?—No, it has not been received.

693. Mr. *Stansfeld* (to Mr. *Foster*).] Has it been received by the Treasury?—Yes; we have received it.

694. But it has not yet been transmitted to the Comptroller and Auditor General?—It is under the consideration of the Treasury at the present time.

On Vote 16.

695. Mr. *Liddell*.] Under Sub-head P. "Salaries," there is a deficiency of 1,875 *l*.; the explanatory

Sir *W. Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*
Mr. *Ryan.*
Mr. *Vine.*
Mr. *Blackwood.*

18 May 1870.

planatory note says, with reference to that, "Two salaries transferred from Consolidated Fund, owing to new appointments": under what authority was that transfer made; was it by Statute? —Yes.

696. Mr. *Pollard-Urquhart.*] Can you inform us by whom these new appointments were made? —I cannot.

697. Mr. *Stansfeld.*] Can you give some further explanation of the explanation of Sub-head P.?—Two officers, who formerly were borne upon the Consolidated Fund, dying, and it being directed by statute that all future appointments should be voted upon the Estimates, it followed that the new appointments came upon this Estimate, and they have caused the excess.

698. Mr. *Pollard-Urquhart* (to Sir *William Dunbar*).] I see, in your Report on Sub-head A., it is stated that "under Sub-head A. 'Salaries,' are included payments which do not agree with the estimates, but were authorised by a Treasury Letter of 23rd January 1858; the accountant states that the Estimates were incorrect"; have you any further remark to make upon that?—No.

On Vote 20.

699. (To Mr. *Foster.*) The Comptroller and Auditor General's Report on Sub-head B. says: "The gross amount of expenditure under Sub-head B, should have been 321*l.* 15*s.* 2*d.*; the difference, viz. 8*l.* 1*s.* 2*d.*, arising from re-payments on account of the votes of previous years, should have been paid into Her Majesty's Exchequer as an extra receipt, instead of being placed to the credit of the Vote for the current year; had this course been adopted the total deficiency to be voted would have been 104*l.* 2*s.* 2*d.*, instead of 96*l.* 1*s.*"; do you assent to that?—The accountant has been directed to follow that course in future.

On Vote 21.

700. (To Mr. *Ryan.*) With regard to Sub-head W., the Comptroller and Auditor General in his Report, at paragraph 5, says, "Under Sub-head W., Salaries and Allowances (Transport), and Sub-head Y. (Convict Ships), there are included charges for gratuities for attention, &c., to, and medical attendance on, convicts on board ship, and freight, &c. &c., of ship, amounting to 6,750*l.* 6*s.* 2*d.* The service in respect of which this expenditure was incurred was conducted by the Admiralty, who have failed to comply with the application of the Directors of Convict Prisons for vouchers in support of the payments; no evidence has therefore been furnished to this department of the actual expenditure of this service, beyond a statement signed by the Accountant General of the Navy. I am of opinion that these vouchers should have been furnished with the account in which the expenditure is charged, as required by the 24th and 27th sections of the Exchequer and Audit Departments Act"; was that an incorrect proceeding on the part of the Admiralty?—The charges have been allowed, but it was an incorrect course not to furnish the vouchers with the account.

701. Still you accepted it?—We accepted it because it had been the transaction of a Government department.

Mr. George M. Edwards, called in; and Examined.

Mr. *Edwards.*

702. *Chairman.*] What department are you in?—The department of the Accountant General of the Navy.

703. What have you to say as to the Report of the Comptroller and Auditor General, at paragraph 5 on this account. He says, "The service in respect of which this expenditure was incurred was conducted by the Admiralty, who have failed to comply with the application of the Directors of Convict Prisons for vouchers in support of the payments;" do you know why these vouchers were not supplied by the Admiralty?—The claim for charges paid by the Admiralty for the convict service was made as it formerly used to be by the Admiralty when these charges were borne by the Home Office; I observe that the Comptroller and Auditor General points out that both these sets of Appropriation Accounts were rendered for the first time this year, and therefore attention has not been called to this matter before. We have never been in the habit of rendering more than is stated here, in paragraph 5, namely, a statement by the Accountant General, as to cash payments, and no alteration in practice was made in the mode of making these claims. With regard to not having complied with the application of the Directors of Convict Prisons for vouchers in support of the payments, that is apparently owing to no application, as far as the Admiralty is concerned, being known to have been received.

704. You say you have followed what was your usual practice before?—Yes, we have followed our usual practice.

705. Have any directions been given to vary your usual practice, and require the officer making the payments to produce the vouchers for them? —No directions have as yet been given, because until the attention of the Admiralty was called to this Report of the Comptroller and Auditor General, they were not aware of it. The case has been since gone into, and we are on the point of informing the Comptroller and Auditor General that it will be very inconvenient to furnish these vouchers as they have been all bound in volumes, which are very bulky, as they contain many payments on account of other Admiralty charges; and as a matter of official convenience, it would be preferable if some one from the Comptroller and Auditor General's Department could attend to audit them on the spot.

706. Is it necessary that they should be bound before being audited by the Comptroller and Auditor General. If the binding was deferred until after they had been submitted to the Comptroller and Auditor General, no inconvenience would arise, I apprehend?—It would be very inconvenient to have them remaining unbound for some time after the payment takes place, which would be the case, as the claims on the Convict Prison Department are only made periodically, and in addition to that there is this further objection; some of these charges are small amounts for passages, and they may be mixed up with

with sums for passages of a much larger amount on account of officers of the Admiralty which are chargeable against Navy Votes.

707. (To Mr. *Anderson.*) What do you say to that?—I understand that many of these vouchers, which ought to be produced in support of these payments, are vouchers belonging partly to this account and partly to the Naval Account; and the Admiralty do not like to part with vouchers, the greater part of which belong to their own Naval Account.

708. Do you think that that is a reasonable objection?—I think they might send the whole to us for inspection and we might return them.

709-10. They say that they are bound up in bulky volumes with other vouchers?—That only applies to the past, in future they might, before they bind them, transmit them to us for inspection. (Mr. *Ryan.*) In this case the department accounting for the service has not got the vouchers, and that seems to be contrary to the 24th section of the Exchequer and Audit Act.

711. *Chairman.*] What you say is this, the Directors of Convict Prisons having to render the account, they ought to be in a position to produce the vouchers in support of the charge?—Yes, they ought to produce the vouchers with their account; before they include a charge in their account they are bound to satisfy themselves by an inspection of the vouchers that the service has been performed.

712. And that they do not do at present?—No.

713. (To Mr. *Edwards.*) Would there be any difficulty in the Admiralty giving instructions that payments on this account should be acknowledged, on different vouchers, from payments on other accounts?—Yes, I think there would be considerable practical difficulty in that.

714. Mr. *Stansfeld.*] Would there be any practical difficulty, in future, in transmitting these vouchers to the Audit Office before binding them, for the purpose of the audit of this account?—It would be very inconvenient.

715. *Chairman.*] But if they could not be transmitted, I suppose an officer from the Convict Prisons Establishment could easily attend at the Admiralty and see them?—Yes, certainly.

716. And another officer could attend from the Exchequer and Audit Department, subsequently, and see them?—Certainly.

717. (To Mr. *Ryan.*) Would there be any difficulty about that?—No, provided they are examined and allowed by the Accounting Department before they are introduced into the account; we could subsequently verify them when we audited the account. (Mr. *Anderson.*) I may suggest that the Admiralty could furnish certified extracts from these vouchers which would be transmitted with the accounts.

718. You would allow them to give you certified extracts?—They might furnish certified extracts from the vouchers to the Convict Prisons Department who could again furnish those certified extracts as their vouchers for the account.

719. Mr. *Stansfeld.*] And then your audit would be conducted by sending an Audit Office clerk to inspect the original vouchers?—Yes, we might do that.

720. *Chairman.*] I thought I understood you to suggest that you might accept the certified extracts as the vouchers?—Precisely, if they were certified by the Admiralty they would be furnished to the department that renders the account, and that department would transmit them as the vouchers in support of those payments; the Comptroller and Auditor General would then admit those vouchers in support of the account.

721. (To Mr. *Edwards.*) There would be no difficulty in doing that, I presume, on the part of the Admiralty?—No, there would be no difficulty in that.

722. Mr. *Stansfeld* (to Mr. *Foster*).] What is your view upon this point?—If you observe the wording of paragraph 5, you will see that the service in respect of which this expenditure was incurred, was conducted by the Admiralty; therefore being conducted by the Admiralty, I think the simplest way would be to make it an Admiralty charge, and to make the Admiralty pay it and account for it; the Admiralty which incurs the expenditure should estimate and account for it

723. But the Admiralty incur the expenditure not on their own account, but on account of the Convict Prisons Department?—They incur expenditure for many departments for which they provide in their Estimates.

724. (To Mr. *Edwards.*) In the case of medical attendance, would the navy surgeons be the persons giving that attendance, or would persons be called in from any place where the ship happened to be?—To the best of my belief it is a naval surgeon who is placed in charge of the convicts on the passage, and he is entitled to so much a head for every convict that he lands alive.

725. (To Mr. *Foster.*) That being so, do you consider that a service rendered by the Admiralty, and one which ought to be provided for in their Estimates?—I think so; I think the more you can make the department that has the control of the expenditure account for it, the more simple it becomes.

726. The Admiralty would complain very much of this charge being thrown upon their Estimates, it being a Civil service, would they not?—That is a complaint which is constantly made, but it is a complaint which is not listened to, because it is held, I think rightly, that the department conducting the service should account for it.

727. (To Mr. *Anderson.*) What do you think of the suggestion that the Admiralty should estimate for this service and account for the expenditure?—I think it was the practice some years ago for the Admiralty to take a vote for the convict service, for all the expenses incurred by them for the transmission of convicts, and that vote was transferred by the Treasury to the Civil Service Votes as not being a naval service. I believe that was the case when I was at the Treasury several years ago.

728. (To Mr. *Edwards.*) Are the rules, with regard to the charges for medical attendance, the gratuities, and so forth, made by the Admiralty, or are they made by the Home Office?—I cannot say positively.

729. (To Mr. *Foster.*) Do you know?—No, I do not.

730. Supposing those charges are incurred under regulations laid down by the Home Office, would that alter your opinion as to whether the charges should be borne on the Navy Votes or on the Civil Service Votes?—I think not.

731. Mr. *Stansfeld* (to Mr. *Edwards*).] Then, in accordance with the decision the Committee have come to upon this point, you will furnish the

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Vine.*
Mr. *Blackwood.*
Mr. *Edwards.*

18 May 1870.

the Convict Prisons Department with certified extracts from your vouchers, so far as they appertain to this expenditure, and they will be accepted afterwards by the Audit Department?—Yes.

On Vote 23.

732. *Chairman* (to Mr. *Blackwood*).] With regard to Sub-head Q., which is "New Buildings and Alterations," it is stated that "these accounts would have been paid previous to the close of the financial year 1867-68, but owing to the delay in auditing the accounts at the Office of Works in London, they could not be paid until after the commencement of the year 1868-69"; was it a new duty cast upon the Office of Works, with reference to these buildings, or had they that duty before?—I am unable to answer that question. (Mr. *Vine.*) I believe the vouchers are sent up to the Office of Works in London to be examined, and are returned to Scotland, where they are paid.

733. Is the term "auditing the accounts at the Office of Works" a correct one?—No; it should be "examining."

734. Then it was an irregularity?—It was a delay in the examination at the Office of Works.

735. Which we may consider an irregularity; they did not get through the work in the time they ought to have done?—It would depend upon the time when the accounts were sent to them; if the accounts were not sent to the Office of Works till March, they could not be returned to Scotland to be paid until the next financial year.

736. The note says that it was a delay in auditing the accounts, not in furnishing them, so that if the note is accurate it would be the fault of the Office of Works in not examining them quickly enough?—That is what the prisons' accountant wishes to be supposed.

737. You think the Office of Works may have something to say to the contrary?—Yes; they may have something to say about it.

On Vote 21.

738. Mr. *Liddell* (to Sir *William Dunbar*).] There seems to be a great deal of irregularity in the mode of keeping the accounts of the Court of Chancery in Ireland; first of all, I should like to ask you whether you have yet received any explanation of the causes of "variation between expenditure and grant," to which you refer in your Report, and whether you have insisted upon those explanations being furnished for the future?—I drew attention to the fact that no explanation of the causes of variation between expenditure and grant had been given on the face of the account, as is usual with all the other accountants. The honourable Member will perceive all the other accountants give explanations showing the causes of variation.

739. Have you called for that explanation?—No, we have not since this Report was written.

740. *Chairman.*] You have to make a report upon the account as presented to you?—Yes.

741. Therefore it would not be within your province to call for such an explanation?—No.

742. (To Mr. *Foster.*) Have you required that this explanation should be given if a variation should occur in future?—We have called upon the Accountant General of the Court of Chancery to give explanations of these matters. At present we have received nothing satisfactory in answer to these questions, and I may say generally that having had an opportunity of inspecting the accounts of the Court of Chancery in Ireland, I do not hesitate to say that they are the worst kept and the most slovenly and unsatisfactory accounts that I ever came across, and I fear that there will be very great difficulty in getting any satisfactory replies from the Accountant General. My view is, that the only course will be to bring him up to town to answer for himself to the Committee. I think also that this might be a good opportunity of mentioning my view as regards the general question of the responsibility of accountants who hold public money, or money for which Parliament is answerable. We have great difficulty in dealing with the accountants under the courts, who are quite irresponsible to the Treasury. My view is, that an accountant holding public money ought to be under the Treasury. Those officers are now under the courts; they can appeal to the Lord Chancellor, who does not understand the question, and has not time to go into it. In fact, the several accountants general of the courts are almost independent. Perhaps the Committee may wish to hear a letter upon the subject, received by the Treasury from the Accountant General of the Court of Chancery in Ireland. I might read an extract, which shows that he considers himself very independent of the Treasury.

743. *Chairman.*] Will you put in the letter?—I will (*the same was handed in,* vide *Appendix*).

744. Mr. *Liddell.*] Will you read the more important passages from it?—"I presume, however, that it is in vain to expostulate, and the only course accordingly that remains for me, painful as it is to me to adopt it, is to cease to perform the duties of Paymaster of Incidentals in Chancery, there being no Act of Parliament or Court Order imposing them upon me, and which I undertook originally simply at the suggestion of Lord Chancellor Brewster, who had been requested by the Treasury to find an officer who might perform these duties, without the remotest idea of the amount of business it entailed upon me, of the pecuniary risk it produced, or of the low class of persons with which the work necessarily brought me into frequent contact, common clerks, tradespeople, servants, housekeepers, errand boys, &c.; and this for an officer of 30 years' standing, whose business had ever been gentlemanlike and respectable, might, I must say, be termed degrading."

745. *Chairman.*] Has any correspondence passed between the Lord Chancellor and the Treasury upon this subject?—Not since the original appointment of the Accountant General to render the Appropriation Account.

746. I meant upon that letter?—No answer has yet been sent to this letter which I have read.

747. Mr. *Stansfeld.*] As you told us some time ago, under the Exchequer and Audit Act the Treasury appoints the persons who are to account for the expenditure of each department?—Yes.

748. The Treasury, I presume, appointed the Accountant General to account for the expenditure of the Court of Chancery in Ireland?—Yes, for the expenditure of the Vote for the Court of Chancery in Ireland.

749. And he objects to the performance of the duty

duty which the Treasury, by virtue of the Exchequer and Audit Act, has imposed upon him? —Yes; he says he will withdraw from the duty.

750. From a portion of the duty?—From a portion of the duty.

751. Mr. *Liddell.*] Has the Treasury given any authority to the accountant to defray the deficiencies arising under Sub-head B., "Incidental Expenses," out of the savings under Sub-head A., because I see that no answer has been given to the Accountant General upon this subject: the authority of the Treasury has not been produced by the court, and I want to know whether it has been given at all?—I believe sanction has been given.

752. *Chairman.*] There is nothing in the Act requiring the sanction of the Treasury to defraying a deficiency on one sub-head out of a saving on another?—No.

753. Out of what has grown the practice of requiring the Treasury to give such sanction?—Out of a Treasury arrangement under which we required the Comptroller and Auditor General to report to the Treasury where an accountant had exceeded the expenditure upon any of his sub-heads, and we gave instructions that no accountant should do so without Treasury sanction.

754. Then by a Treasury rule you have adopted the practice that is statutory as regards the Votes on the Army and Navy Estimates?—Exactly. That is a matter between the Comptroller and Auditor General and the Treasury, and not between the Comptroller and Auditor General and Parliament.

755. Mr. *Pollard-Urquhart.*] I wish to call your attention to the Report of the Comptroller and Auditor General on the same Vote, Number 24, paragraph 6, in which he says: "In reply to a letter drawing the attention of the Treasury to this payment" (the payment for a second clerk in the Taxing Office, at 200 *l.*) "it is stated that it appears correct that there are two clerks in this office with salaries of 200 *l.* each, but that one was omitted from the Estimates of 1868-69, and a second point is, that although the salary provided for a registrar in the Estimates was 200 *l.* per annum, the registrar has been paid 250 *l.* As his authority for this payment the accountant has furnished a warrant of the Lords Commissioners of Her Majesty's Treasury, dated so far back as the 5th of October 1860;" is not it a very unusual practice for any department to refer to a sanction of the Treasury for a departure from their Estimates in a former year, as an approval of a departure from their Estimates in future years?—It appears that the officer's salary was properly 250 *l.* a year, but the Estimate, in error, stated it to be 200 *l.*

756. And you believe that to have been a mere mistake made by the party framing the Estimates?—Yes; it arose from a want of proper care in framing the Estimates.

757. *Chairman* (to Mr. *Blackwood*).] Are you aware what the exact fact is, as regards the Treasury having sanctioned the defraying of a deficiency on Sub-head B. out of a saving on Sub-head A.?—I was under the impression that the Treasury had not given formal sanction in all cases, but I cannot speak with certainty.

On Vote 28.

758. (To Mr. *Foster.*) It would be an irregularity to withhold the paying of a salary until the next financial year, I suppose?—It would; in some offices, however, it has been the practice not to pay the salaries for the March quarter until April.

759. But in that case there would be no saving, would there, because that would have been the case in the previous year too?—In some cases there might have been a saving of that nature from accidental circumstances.

760. (To Mr. *Vine.*) If you look at the total amount of the grant for salaries, namely, 6,650 *l.* and compare it with the saving, namely, 762 *l.*, you will observe that the saving can hardly be of one quarter's salaries, because if it had been, one would have expected the amount to be one-fourth of the whole grant?—The salaries are paid monthly in the Court of Probate, I believe.

761. (To Mr. *Foster.*) If it was a monthly payment, one would expect the saving to be a twelfth part of the grant, whereas it is about a ninth, so that it does not correspond in that way either?—I presume it must have been that some of the salaries were not paid.

762. Mr. *Candlish.*] Is it not very inconvenient to have salaries due during a financial year remaining unpaid as regards that year's account?—I do not think it affects the matter much, as the arrears are generally much the same year by year.

763. But it is not so in this case?—An exception may have arisen in this case, but I think now that they all follow the same system; I think it is very general to pay the salaries up to the close of the year, within the year.

764. Mr. *Pollard-Urquhart.*] In fact, I suppose, until these Appropriation Accounts were rendered there was no uniform system generally followed?—You may say there was no system at all.

765. Mr. *Candlish.*] The Treasury is now acting upon the rule of paying the salaries within the year?—Yes.

On Vote 29.

766. *Chairman.*] The remark of the Comptroller and Auditor General upon this Vote is that "the accountant has failed to offer any explanation of the causes of variation between the expenditure and the grant, as required by the form of account;" has any correspondence taken place about that?—An explanation has been asked for, but no reply has yet been received.

767. Then perhaps you may be in a position to answer the question about it another day?—If we get an answer to our letter.

768. Mr. *Candlish.*] You have an explanation of the cause of the delay?—No.

769. When did you write?—The Treasury Minute directing the letter to be written was dated the 14th of February; the letter would have been written a few days after that: I may say that Mr. Vine and myself visited the office of Mr. Carey when we were in Dublin, and got very little satisfaction in doing so.

770. What were the things with respect to which explanation was needed, and satisfaction sought?—It was with regard to the mode of preparing the Appropriation Account.

771. *Chairman.*] It must be observed that in this case there are savings?—Yes; I may say that this is again a case of an officer who can disregard Treasury control, being under the Law Courts and not under the Treasury.

Mr. *Foster.*

18 May 1870.

On Vote 31.

772. Mr. *Pollard-Urquhart.*] With regard to Sub-head K, "Rent of Barracks," where there is an excess of expenditure over grant of 1,358 *l.* 15 *s.* the note says that it is owing to "an unusual number of new agreements at increased rents entered into during the year." I suppose these increased rents are in respect of fortifications in those barracks put up by the proprietors?—I am hardly able to give any explanation upon that point.

On Vote 32.

773. There is this observation of the Comptroller and Auditor General upon this Vote, that "on Sub-head F, Incidental Expenses, the expenditure has exceeded the grant by 7 *l.* 13 *s.* 2 *d.*, and no authority has been obtained from the Lords Commissioners of Her Majesty's Treasury for defraying this excess out of the savings on the other sub-heads;" has that authority been obtained since?—The Treasury sanction has been since given.

On Vote 34.

774. I see that there is a very considerable excess of expenditure over grant on Sub-head D. for victualling the prisoners; it is a very large per-centage in excess of the Vote. Can you explain that?—There has been a letter received by the Treasury from Dr. Corbet, the manager of the asylum. With regard to the observations of the Comptroller and Auditor General, he states in his reply to the Treasury, "I find that there was an error or errors in my account for the year, as regards Income Tax. I have only to say that they were merely mistakes, and that corrections of them shall be made in my account ending 31st of March 1870."

775. *Chairman.*] Will you write to Dr. Corbet, and ask for explanations as to the deficiencies under Sub-heads D. E. I. and K., which are very large in proportion to the amounts of the grants?—I will.

On Vote 35.

776. Mr. *Pollard-Urquhart.*] There is a very considerable increase in salaries under this Vote, but it is explained by the circumstance that the salaries for the December quarter of 1867 and the March quarter of 1868, which were advanced out of the Civil Contingencies in the year 1867-68, have been repaid to that fund out of the current Vote. The only question is why the amount so repaid was not included in the Estimates, as this circumstance ought to have been known at the time the Estimates were framed?—It was entirely a new Vote. The expenditure was incurred without any vote, and was met out of the Civil Contingencies Fund. Perhaps the accountant in preparing the Estimates for the coming year was not aware that he would have, out of that Vote, to repay the sum due to the Civil Contingencies Fund; it was overlooked apparently.

Wednesday, 25th May 1870.

MEMBERS PRESENT:

Mr. Candlish.	Mr. Pollard-Urquhart.
Lord Frederick Cavendish.	Mr. Sclater-Booth.
Mr. Ward Hunt.	Mr. Seely.
Mr. Liddell.	Mr. Stansfeld.

THE RIGHT HONOURABLE GEORGE WARD HUNT, IN THE CHAIR.

The Right Honourable EDMUND HAMMOND, called in; and Examined.

Mr. *Hammond.*

25 May 1870.

777. *Chairman.*] THE Report of the Comptroller and Auditor General on the Secret Service Vote for the year ended the 31st March 1869, is as follows: "An account of the Vote for this service, the first which has been rendered in the form of an Appropriation Account, has been transmitted to this department by the Treasury, for the financial year 1868–9. But I find myself unable to certify to its correctness, for the following reasons. First, because the account is unaccompanied by any voucher or other documents in support of the expenditure stated to have been incurred; and, second, because the sums entered under the head of Expenditure would appear to represent merely issues or advances, and not actual payments within the financial year, in accordance with the requirements of the 'Appropriation,' and 'Exchequer and Audit Departments Acts.' In corroboration of the latter opinion, I beg to refer to the accompanying correspondence on the subject of the audit of monies expended for secret service, but more particularly to the letter of the Secretary of the Treasury, dated the 26th of November last, acquainting me that after careful consideration, and fortified by legal advice, the Lords Commissioners had come to the conclusion that it was not intended by Parliament that money, disbursed for secret service, should be the subject of appropriation audit; and that in respect of such expenditure, the issue of money must be regarded as 'payment.'" That seems to be the point, namely, whether the issue of money is to be regarded as payment. What have you to say upon that point.—We took the opinion of the law officers of the Crown in reference to that correspondence, and the law officers of the Crown said, that the Civil List Act of the 22nd of Geo. 3 was still operative, and not overridden by the Exchequer and Audit Act. We, wishing to accommodate the Exchequer and Audit Department as much as we could, suggested an expedient for getting over that difficulty; but the law officers, though they concurred in that, with a certain modification, said that they concurred in it, not because they thought that what was proposed to be done was necessary under the unrepealed Act, but just merely to accommodate the Exchequer and Audit Commissioner. Of course, I cannot put in the law officers' opinion, that is quite contrary to rule; but if you will allow me, I will read the substance of it, which I think will meet your purpose. They state their opinion that the Treasury might, "as a sufficient compliance with the Exchequer and Audit Act, and as accountants for the issue of money voted by Parliament for secret service, remit to the Audit Office the receipt given by the Secretary of State." I should explain to you that when the money is issued from the pay office to the Secretary of State, as secret service money, the Secretary of State gives a receipt under his own hand for the money which is issued to him.

778. Mr. *Liddell.*] Does he give a receipt for the lump sum?—For the lump sum. The law officers go on to say that there should be remitted to the Audit Office that receipt of the Secretary of State "for the sums issued to him from time to time, accompanied by a certificate that an account of the expenditure of secret service money has been duly rendered by the Secretary of State." The law officers go on to say: "because if the Secretary of State from time to time makes the statement required by the 22 Geo. 3, c. 82, s. 27, he does duly discharge himself according to law." A payment to him is, in their opinion, a payment within the meaning of the 24th section of the 29 & 30 Vict. c. 39.

779. That is the Exchequer and Audit Act?—Yes. And then they go on to say that they "are clearly of opinion that it was never intended by the 29 & 30 Vict. c. 39, to give the Audit Office power to require any information as to the disposal of secret service money, which remains controlled only by the provisions of the 22 Geo. 3, c. 82, which is an unrepealed statute;" and they "suggest the adoption of the course above-mentioned, as a nominal compliance with the provisions of the later statute, rather as a means of avoiding further discussion than because they entertained any doubt of the legality of the course pursued by the Foreign Office, so long as they keep within the provisions of the earlier statute." That was their opinion.

780. The 24th section of the Exchequer and Audit Act is to this effect: "An appropriation account of supply grants shall exhibit, on the charge side thereof, the sum or sums appropriated by Parliament for the service of the

Mr. *Hammond.*

25 May 1870.

financial year to which the account relates; and on the discharge side thereof the sums which may have actually come in course of payment within the same period; and no imprest or advance of the application of which an account may not have been rendered to and allowed by the accounting department shall be included on the discharge side thereof"; your position is this, that an imprest or advance to the Secretary of State should be included on the discharge side of the account?—It should be accepted as the voucher which the Treasury would present. The receipt of the Secretary of State should be their discharge, under the Exchequer and Audit Act. I understand that to be the law officers' opinion. Of course it is a question as to the interpretation of statute law, and I can only give the opinion which the law officers have given upon it. I do not profess myself to be able to interpret the law. In any difficulty of this kind we are obliged to go to the law officers, and of course we must be guided by their opinion.

781. You say that in the case of secret service money an imprest or advance to the Secretary of State should be allowed by the accounting department as a discharge against the grant?—As a discharge to the Treasury, in fact.

782. As a discharge to the department rendering the account?—That is the Treasury. I should say yes, it is a discharge to them. My contention has always been, and in that I am borne out by the law officers of the Crown, that practically the receipt of the Secretary of State ought to discharge the Treasury. The Secretary of State's discharge is to be obtained by a declaration under the Civil List Act.

783. The 24th section of the Exchequer and Audit Act says this: "An appropriation account of supply grants shall exhibit on the charge side thereof the sum or sums appropriated by Parliament for the service of the financial year to which the account relates;" the grant of secret service money under Vote 2 is the sum appropriated by Parliament for the service of that year, is it not?—Yes.

784. Then the section goes on to say, "And on the discharge side thereof the sums which may have actually come in course of payment within the same period;" what you say is that the imprest to the Secretary of State is a sum which has actually come in course of payment within that period?—So I understand. I am not very well versed in Treasury expressions, but what I understand is that the money is actually paid by the Treasury to the Secretary of State, and therefore the receipt of the Secretary of State should be *pro tanto* the discharge of the Treasury.

785. And therefore you would say that the advance is a "payment" within the meaning of that section, and that it is not an "imprest or advance" within the meaning of the section; that is your contention, is it not?—That is what the law officers, as I understand, say is a payment.

786. Supposing that that practice is upheld, might not the Secretary of State accumulate from year to year for any number of years the balance of unexpended secret service money until it amounted to a very large sum which he might be able to disburse in any one year?—It could not accumulate beyond three years. The Civil List Act says that he must render the account within three years. The wording of that Act is very peculiar, and a distinction is drawn in it between the Secretary of State and Foreign Ministers in this respect.

787. The 25th section of the 22 Geo. 3, c. 82, says this: "And be it enacted, by the authority aforesaid, that when it shall be deemed expedient by the Commissioners of His Majesty's Treasury, or the High Treasurer for the time being, to issue, or in any manner to direct the payment of any sum or sums of money from the Civil List Revenues for Foreign Secret Service, the same shall be issued and paid to one of His Majesty's principal Secretaries of State, or to the First Commissioner of the Admiralty, and the said Secretary or Secretaries of State, or First Commissioner of the Admiralty shall, for his discharge at the Exchequer within three years from the issuing the said money, produce the receipt of his Majesty's minister, commissioner, or consul in foreign parts, or of any commander-in-chief or other commander of His Majesty's navy or land forces, to whom the said money shall have been sent or given, that the same hath been received for the purpose for which the same hath been issued, which said receipt shall and is hereby directed to be filed in the Exchequer in order to charge the said minister, commissioner, consul, or commander of His Majesty's land or sea forces with the same, and the said receipt on proof of the handwriting shall be sufficient to acquit and discharge the said secretary or secretaries, or First Commissioner of the Admiralty, in their said account at the Exchequer." That is the section to which you allude?—Yes; and then the next section but one goes on to provide for monies expended in England by the Secretary of State.

788. The next section but one is: "Whenever it shall be necessary for the principal Secretary or Secretaries of State, or First Commissioner of the Admiralty, to make payment of any money issued for foreign secret service, or for secret service in detecting, preventing, or defeating treasonable or other dangerous conspiracies against the state, in any place within this kingdom, then it shall be sufficient to acquit and discharge the said secretary or secretaries, or First Commissioner of the Admiralty, for such secretary or secretaries, or the Under Secretary of State in the office to which such secret service money hath been paid, or for the First Commissioner of the Admiralty, or the Secretary of the Admiralty, to make oath before the Barons of the Exchequer, or one of them, or before the Cursitor Baron, in the form following:—"I, A. B., do swear, that the money paid to me for foreign secret service, or for secret service, in detecting, preventing, or defeating treasonable or other dangerous conspiracies against the State (*mutatis mutandis*, as the case may be), has been *bonâ fide* applied to the said purpose or purposes, and to no other; and that it hath not appeared to me convenient to the State that the same should be paid abroad"?—Yes, that is the declaration that is required to be made. I make that declaration, although the money is not issued to me, and the Secretary of State makes a declaration in the same form.

789. What you say is this, that you were allowed by this Act of Parliament to expend the sum voted for the service of three years in any part of those three years?—It is a running account.

790. What you say is this: you are allowed by this Act of Parliament, in any one year of the three years, to spend any money which comes

to

to your hands during the course of the three years?—That is the practical effect of it; that we are not obliged to render an account of the disbursement of money voted for secret service until three years after its issue; and the reason why that provision was made is extremely obvious, and there is a very curious distinction drawn in the Act between the process in regard to secret service money issued to ministers abroad and that issued to the Secretary of State at home. The ministers abroad are bound to render their account within one year after their return to England, and to repay any balances in their hands; but as regards the Secretary of State, three years are given to render his account, and there is not a word about repaying any balances. In point of fact, the Secretary of State cannot surrender any balances. His declaration states that the money issued for secret service has been expended for that purpose, and no other, and therefore, under that declaration, he could not apply that money to any other than secret service purposes; he could not repay it into the Exchequer. It is transferred for the purpose of being expended as secret service money from an outgoing Secretary of State to an incoming Secretary of State.

791. Then, as I understand you now, after this oath has been taken, at the end of the three years, as to what has been expended, the Secretary of State who has received the difference between the sum so expended and the grants, keeps the balance if he remains Secretary of State, or hands it over to his successor if he quits office, to be used for the same purpose?—Yes; for the same purpose.

792. So that, in fact, the money may go rolling up even beyond the three years, in the hands of the Secretary of State or his successor?—Yes; because, according to the Act of Parliament, he can only get rid of it by spending it for secret service purposes.

793. So that, in fact, at the end of three years there is no surrender to the Exchequer of the unexpended balance?—No; there can be no surrender under that Act of Parliament by the Secretary of State.

794. Then, according to that view, the money may go on accumulating year after year for an indefinite period?—Of course it might go on; but the amount is so small that it would be impossible that any great accumulation could take place; as an abstract question, of course it might be as you say.

795. Supposing the money was not wanted, it not only might, but must, go on accumulating, according to your view?—But then the Secretary of State would not draw from the Treasury more than he required.

796. That is optional on his part, is it not?—It is optional, certainly; but at the same time there can be no abuse of the money, because he is charged in the Audit Office account with the money which is in his hands; he is answerable for it.

797. What I understand is this: if the Secretary of State applies to the Treasury, the Treasury, as a matter of course, sanctions an issue of money, and it rests entirely within the breast of the Secretary of State, even though he has ample money in his hands, to determine whether he shall apply for a further issue or not; is that so?—Yes; of course he may do so.

798. You say that, in practice, there is no large balance at the end of the three years?—I do; there is no greater balance than is necessary for the carrying on of the current expenditure for secret service purposes.

799. But supposing there were to be a greater balance, it might so happen that a very large sum might accumulate in the hands of the Secretary of State for disbursement for secret service purposes?—It might so happen; of course, it is within the bounds of possibility that that should happen; but, practically, I should say it is utterly impossible that it can happen.

800. Are you able to tell us what the ordinary balance is at the end of three years?—I do not think I ought to be asked that question, because it is connected with the detail of the expenditure of the secret service money; I should otherwise be very happy to tell the Committee anything, but I am under a certain reserve from the necessity of the case.

801. Do I rightly understand you to say that you have no objection to tell the Committee what the ordinary balance is at the end of three years?—No; I think I ought not to tell it. I think it would be rather a breach of my duty to give an account of it. The Audit Office know it; but, of course the Audit Office know it under the seal of secrecy, you may say.

802. Mr. *Liddell.*] Do they know it?—Yes; they see the balance when they receive the account.

803. *Chairman.*] The Committee think that the question I asked, namely, what the ordinary balance is at the end of three years, is a question which they have a right to ask, and to which they have a right to receive an answer; we do not, however, wish to press you to give an answer to it to-day; perhaps you may wish to mention the matter to the Secretary of State first?—Really I have not the slightest wish to postpone the matter. In the way in which you have put the question I can hardly give you an answer to it. The ordinary balance at the end of every year, whether you take a period of one, two, three, five, or six years, is as nearly as possible the amount of half-yearly expenditure. We keep it as nearly as possible to that, in order to provide for an unforeseen emergency which may arise at any moment. We regulate our applications for issues with that view.

804. So as to have half the year's grant in hand?—Yes; we want to have about half a year's expenditure in hand to meet any unforeseen emergencies. It is impossible to say at the beginning of a year what will happen in the course of that year. Perfectly unforeseen things arise which we never could look forward to, and therefore we must keep a certain balance in hand so as not to be run too close.

805. Then, practically, we may take it that the ordinary balance does not exceed the half of the grant?—You may take it that that is so practically; I will not say to 1,000 *l.* more or less, but I feel we are secure if there is money to meet about half a year's expenditure in advance. I should not feel that the public interests were safely guarded if that were not in hand, because, as I have said, unexpected demands may come upon the office, which it ought to have the means of meeting. But I may say this, that for the last two years, from circumstances which I need not enter into, we have been able very much to reduce our applications for issues. We have not drawn from the Treasury for the last two

Mr. *Hammond.*

25 May 1870.

years anything like what we might have drawn, because it so happens that there has been nothing occurring to call for extraordinary expenditure. You will perfectly understand, however, that emergencies may arise which require extraordinary expenditure, and that if such emergencies did arise, it would be impossible for us to say, "An emergency has arisen, and we want more money."

806. I did not wish to ask you any particulars as to the expenditure in any one year, but, as I understand it, your view is this: that supposing you have drawn from the Treasury up to the amount of the grant, and emergencies have not arisen to require it to be spent, you must carry on the balance into future years?—Whatever balance we have in hand we must carry on.

807. There is no such thing as surrendering it into the Exchequer?—It would be utterly impossible under the declaration we are obliged to make. How could that money which was surrendered be expended on secret service? A foreign minister, that is to say one of our ministers abroad, is bound under the Act, to surrender any balance he may have, within a year of his return to England. But there is no provision for the Secretary of State doing that, and the reason why it should be so is quite obvious. Of course, as a matter of public policy, it is very desirable that no opportunity should be given for connecting the expenditure of secret service money with any particular transactions which may occur in a given period; and if the expenditure in one year was less, and in the next year more, a ready wit might connect the two things together and say, you have been spending the money for such-and-such a purpose.

808. Mr. *Liddell.*] Do I rightly understand you to say, that a foreign diplomatic agent or consul is bound, at the end of each year, to surrender any balance in his hands to the Secretary of State?—No, at the end of a year after his return to England he must surrender it.

809. So that it may remain in his hands for as long a period as he is employed?—Yes; but, after all, it comes to a practical question, and I apprehend that no foreign minister keeps a balance in his hands; in fact, I am sure he does not, for I must know all that he draws. He may keep a few pounds, perhaps, in his hands. If he wants to spend 5 *l.* he may draw for 20 *l.*, and keep the other 15 *l.* for another emergency; but as to keeping anything that you might call a balance in his hands, that he certainly does not.

810. Would the Foreign Office, in the event of a considerable advance having been made to a foreign minister or consul, if they had reason to suppose that he had not expended it, call upon him to account for it, and to surrender the balance?—No, they could not call upon him to surrender it; but if a foreign minister was to draw upon the Secretary of State for any unusual sum, I should consider it to be my duty to point out to the Secretary of State that this was an unusual draft, and the Secretary of State, no doubt, would ask, privately, what it was for, and satisfy himself upon the subject.

811. *Chairman.*] I understand the substance of your evidence to be this, that no account at all need be given, and no declaration of disbursement need be made, except once in three years; and at the end of three years, under no circumstances, is the expended balance to be surrendered, but it is to be carried on?—That is the upshot of it. But I must explain to the Committee what perhaps they do not quite understand, that the account of an outgoing Secretary of State is rendered immediately, and then the new Secretary of State starts with a fresh account, carrying on, as the first item on the debit side, the money which has been transferred to him by the previous Secretary of State.

812. By what you call his account, you do not mean an account rendered to the Treasury or to the Exchequer and Audit Department?—Yes, to the Audit Office; I mean that the Secretary of State renders periodically to the Audit Office an account both of moneys received and of moneys disbursed by him; that is to say, it is in one lump sum.

813. He does not show the receipts on one side and the disbursements on the other, does he?—Yes.

814. I thought that was what the Audit Office wanted?—The account does not show the details of the disbursements; on one side there is the receipt, and the first item, for instance, in Lord Clarendon's account on the receipt side will be what was transferred to him by the Earl of Derby; then the next items will be the successive issues from the Paymaster General's Office. The total of that is the amount that he is accountable for. On the other side there will be the amount that he has actually expended; in the first place the amount that, under his directions, I have expended, for which my receipt is his voucher, and my declaration is his voucher. Then the receipts of the foreign ministers for their bills which discharge the Secretary of State *pro tanto*. A foreign minister sends in a receipt for every sum of money he draws upon the Secretary of State; that receipt is rendered by the Secretary of State to the Audit Office in discharge, so far as it goes, of his account, and the balance then remaining in his hands, after deducting these two sums—namely, what the Under Secretary of State under his directions has expended, and what the foreign ministers have expended according to their receipts—is carried on to the next account.

815. That account is sent in to the Exchequer and Audit Office?—Yes.

816. When?—It is sent in when a Secretary of State goes out of office; as soon as I can make his account up, which is generally within perhaps 10 days or a fortnight after he leaves, it goes to the Exchequer and Audit Office; and then with respect to a Secretary of State who stays in office for two or three years, I should generally clear his account every two or three years, as the case might happen; always within the three years, and generally, if I can do it, within two years.

817. Is not that the account to which this paragraph in the report of the Comptroller and Auditor General applies, "because the sums entered under the head of expenditure would appear to represent merely issues or advances, and not actual payments within the financial year"?—No; the Comptroller and Auditor General is referring there to the Treasury Account. If you will look at the last paragraph in that report, you will see the process as it relates to the Foreign Office stated there; it is in paragraph 6.

818. It does not lie within my province to express any opinion upon the policy of excepting the Vote for Secret Service from the operation of the general provisions of the Act in question: I may, however, be permitted to observe, that the value

value of the control of this department for ensuring the due application of monies advanced for the service is acknowledged by the Foreign Office in the annexed correspondence; that the vouchers proposed to be accepted in support of the Appropriation Account are of the same nature as those which have been heretofore deemed sufficient, and that no inconvenience to the public service has been experienced, or even alleged, since the accounts for secret service were first rendered to this department for examination upwards of 70 years ago." That is the paragraph you referred to?—Yes; that refers to the account we render. When that goes to the Audit Office, the Audit Office examine it, and then they send a quittance to the Secretary of State. They keep the Foreign Minister's receipts, and call upon them to clear their account, either after they cease their service or within a year after they come to England. The Foreign Minister gives substantially just the same declaration as the Secretary of State and myself.

819. Mr. *Stansfeld.*] This is not the Annual Appropriation Account; this is the account required under the old Acts?—That is the account under the old Act.

820. *Chairman.*] It is not an Appropriation Account?—No; the law officers say, that that old Act is not touched by the Exchequer and Audit Act, and it was particularly understood between myself and Mr. Childers, who was then Secretary for the Treasury, that it was not to be touched.

821. Mr. *Liddell.*] Is it not excluded from the schedule?—It is excluded from the schedule on that ground, that it was never intended to be touched. Mr. *Hammond.* 25 May 1870.

822. *Chairman.*] Do you refer to the schedule to the Exchequer and Audit Act?—Yes; it specially excluded from the schedule; I spoke to Mr. Childers about it, and the whole difficulty has arisen from the circumstance that it was not stated in distinct terms in the Exchequer and Audit Act that it was excluded.

823. I do not understand this; you say it is excluded from the schedule?—It is not in the schedule of the Exchequer and Audit Act.

824. There is in the schedule, "Miscellaneous Civil Services, Classes 1 to 7"?—I mean the Act of Parliament which relates to this subject is not mentioned in the schedule.

825. You mean that the enactment was not repealed?—Yes; the enactment was not touched by it.

826. The enactment was not expressly repealed; but it does not at all follow that because it is not expressly repealed it is not virtually repealed?—The law officers say that it is still in force; they state that very clearly.

827. Is there any objection to furnish to the Committee, not for publication, but for their own information, the case submitted to the law officers of the Crown and their opinion upon it?—I have read the substance of the opinion of the law officers to the Committee.

Sir William Dunbar, Bart., called in; and Examined.

828. *Chairman.*] Have you taken a legal opinion upon this subject at your office?—I shall be prepared to go into the whole matter and show the legal opinions upon which I take my stand if the Committee wish me to do so. Sir *W. Dunbar.*

829. Mr. *Stansfeld.*] You have taken legal opinions, have you not?—We have not taken legal opinions, but we have legal opinions which are sufficiently pertinent. (Mr. *Hammond.*) According to practice, we could not give in its very words the opinion of the law officers, but that which I have read to the Committee is really and substantially their opinion.

830. *Chairman.*] It does not strike me that the refusal to give that legal opinion in this case would rest upon the same grounds as the refusal to give a legal opinion in ordinary cases; the present case is not like a case between a Government department and a person having a contention with them which may involve an action at law; this has reference only to the manner in which an account should be rendered under an Act of Parliament?—In our opinion, all the opinions of the law officers are confidential, and we never publish them.

831. Mr. *Seely.*] Is this the first legal opinion you have taken upon the subject?—It is the only time the question has been raised.

832. Then you never took an opinion upon it before?—Not upon this particular point, because there was no occasion to take it; it was only taken when the difficulty was raised. I do not know whether the Treasury took any opinion besides or not.

833. Mr. *Liddell.*] Am I right in supposing that the opinion of the law officers, a sort of general summary of which you have read to us, is mainly based upon the fact of the exclusion of the old Act, 22 Geo. 3, c. 82, from the schedule of the Acts affected by the Exchequer and Audit Act?—That is so, according to my understanding of the law officers' opinion. They wound up their opinion by saying that "though they suggested the adoption of the course abovementioned, as a nominal compliance with the provisions of the later statute, they do so rather as a means of avoiding further discussion, than because they entertain any doubt of the legality of the course pursued by the Foreign Office, so long as they keep within the provisions of the earlier statute."

834. Mr. *Pollard-Urquhart.*] You said just now that when one Chief Secretary for Foreign Affairs succeeded another, the accounts were cleared in the manner described by yourself, and that in the event of the same secretary remaining in office, they were generally cleared every two or three years; would any public inconvenience arise from their being cleared annually?—Very considerable inconvenience, I think.

835. *Chairman.*] Or once in three years?—I do not consider that any inconvenience would arise from their being cleared once in three years, because in the way in which the account is rendered it would be impossible to say the exact payment that was made in any one year. The lump sum is stated that has been expended in three years, and you cannot connect that expenditure with any particular transaction in the course of the three years. Of course, the only point that it concerned us to know, in taking the opinion of the law officers was, whether the system which had been going on under that Civil List Act was the one which should con-

Mr. *Hammond.* Sir *W. Dunbar.* 25 May 1870.

tinue to be pursued, or whether it was affected by the Exchequer and Audit Act; and the law officers said no, it was not affected.

836. Mr. *Liddell.*] Am I not right in supposing that the Act 22 Geo. 3, c. 82, has reference to a totally different matter to that which we are now discussing, namely, the Appropriation Act; has it not reference to sums advanced out of the Civil List, which is a charge upon the Consolidated Fund?—Certainly it had reference to that, because at the time that the Civil List Act was passed, the secret service was not an annual vote of Parliament. It ceased to be wholly charged on the Civil List in 1832, I think. There are 10,000 *l.* charged upon the Civil List now; but I apprehend that when the Act was passed all the money was issued out of the Civil List.

837. Mr. *Candlish.*] This question comes before the Committee, in consequence of a report of the Comptroller and Auditor General, does it not?—Yes.

838. It is, therefore, a question between the Audit Office and the Foreign Office?—No, I scarcely apprehend it as such. It comes as a question between the Treasury and the Audit Office. The Treasury are the accountants under the Appropriation Act, and the Audit Office contend that the Foreign Office should be a sub-accountant to the Treasury.

839. The Exchequer and Audit Act establishes an audit on behalf of the House of Commons?—Yes.

840. That officer of the House of Commons takes exception to the accounts rendered by the Foreign Office?—No, I beg your pardon; he takes exception to accounts rendered by the Treasury. The money is issued by Parliament to the Treasury, who are the accounting department. It is merely a question of what should be the discharge of the Treasury account, whether the Treasury should merely send in the receipt of the Foreign Office as their discharge, or whether, instead of complying with the terms of the Act of Parliament (the Civil List Act), the Secretary of State should submit the Secret Service Account to the Treasury as chief accountant, and the Treasury, as chief accountant, should submit that to the Audit Office.

841. For this particular service the Treasury is not the spending department, but the Foreign Office is?—Yes; but I believe the Treasury is the accountable office. The contention of the Audit Office is, that we should be sub-accountants to the Treasury.

842. Does not the Exchequer and Audit Act provide that each spending department should be accountable to the Comptroller and Auditor General?—I presume it does not, for the contention, I believe, of the Audit Office has been with the Treasury, and not with us.

843. Have not you at the Foreign Office already rendered accounts of secret service money to the Audit Office?—The Secret Service Account was rendered by me in common course to the Audit Office, and they refused to audit it.

844. You sent it to the Audit Office?—Yes, in the usual course.

845. Does not that course of procedure on your part recognise that the accounts ought to be rendered to that department?—Under the 22 Geo. 3, c. 82, the account has to be rendered to the Audit Office.

846. Would it not follow that, this disputation arising between the Foreign Office and the Audit Office, any case for legal guidance should be submitted to the Audit Office to have their concurrence?—I do not think you quite understand the position of things. It is not a question between the Foreign Office and the Audit Office; it is a question between the Treasury and the Audit Office. The Audit Office challenge the Treasury account, and say that it is not sufficiently vouched for.

847. I understood you to state to the Committee just now that you rendered the account to the Audit Office?—We render it, but not under the Exchequer and Audit Act.

848. Then I am wrong in supposing that you, a spending department, independent of the Treasury, are in any way accountable to the Audit Office?—We are accountable to the Audit Office under the Act of the 22 Geo. 3, c. 82, but not under the Exchequer and Audit Act.

849. Under whatever Act it is, are you by law accountable to the Audit Office?—Certainly.

850. Should not a case, then, for the guidance of the two departments respectively have been submitted to both, and been agreed upon by both?—No; the question did not arise between the Audit Office and the Foreign Office; it arose between the Audit Office and the Treasury.

851. You have always sent accounts of the secret service money to the Audit Office?—Yes.

852. Wherein do you now propose to change your procedure, which, according to the Comptroller and Auditor General, is now different from what it has been for 70 years?—I beg your pardon; our procedure is just the same; the procedure of the Audit Office is different. We sent the account to the Audit Office, and the Audit Office sent it back; they will not have anything to do with it.

853. Do you think that the Audit Office have the power of passing any accounts other than actual payments?—I am not able to give an opinion upon the power of the Audit Office; we can only act according to law.

854. You do not furnish them with any accounts of actual payments, do you?—Yes; we do under the 22 Geo. 3, c. 82.

855. Is the Comptroller and Auditor General wrong, then, when he states, as he does state in his report, that you propose to adopt a new procedure different from that which you have acted upon for 70 years?—We do not propose to adopt any new procedure.

856. Then he is wrong in that statement?—Certainly; all we want to do is, to continue the old procedure which the law officers say ought to be continued.

857. Have there not been periods in the history of this account, within your knowledge, when the sum in hand at the close of any one year, or any three years, has been very much larger than half a year's disbursement?—Of course I cannot carry my recollection back perfectly; there may have been a little more or a little less, but I can assure the Committee that the amount has not been such as to call my notice to it much.

858. Have there not been cases when the sum has been very large?—Not since I have been Under-Secretary of State.

859. Mr. *Pollard-Urquhart.*] You can only answer for your own time, of course?—I can only answer for my own time.

860. Mr.

860. Mr. *Candlish.*] Are there no records of previous Under-Secretaries of State in the office, which would show it?—No, there are no records.

861. A sum of 15,000 *l.* or 20,000 *l.* left in the hands of the Secretary of State for Foreign Affairs in any one year would enable him to spend the year's vote *plus* that balance in that year, would it not?—Yes, if there was an emergency.

862. Is it not the policy of the Exchequer and Audit Act; is it not, indeed, a provision of that Act itself, that the sum spent in any one year, for any particular service, should be limited to the sum voted by Parliament for that service?—The Exchequer and Audit Act, as I say, does not touch the Act of the 22 Geo. 3, c. 82, and as a matter of public policy, I think it would be very inconvenient to place that absolute restriction upon the expenditure. There must be, of course, a certain discretion, and a certain confidence placed in the Secretary of State, in a matter of that kind. Great public inconvenience, and great public mischief might arise from running the amount too close, and you must trust the Secretary of State; I can only say, for myself, that I should be very sorry to have to leave a balance beyond what I state now to be absolutely necessary for the safety of the State.

863. Will you explain, if you consider it consistent with your duty to do so, the inconvenience that would result from Parliament knowing, year by year, the secret service money expended within the year; I do not say for what purpose, but the sum?—Parliament does know the sum expended within the year.

864. How?—I think the Finance Accounts show it.

865. How will it appear to Parliament if you account for it only once in three years?—The issues from the Treasury show it.

866. The issues are not payments?—The law officers say that they are for secret service purposes.

867. But all that the accounts show to Parliament are the amounts issued by the Treasury?—Yes.

868. They do not show the amount expended by the Secretary of State?—They do not.

869. Can you explain to the Committee the inconvenience of showing the expenditure in the year?—I think it would be extremely inconvenient to publish, from year to year, the exact sum spent in secret service, because I think it would enable a sharp-witted person to discover the precise purposes to which that money was applied. I think that it might tend to very serious inconvenience in that way. And then it would lead to this other inconvenience, namely: supposing in one year a smaller amount appeared to have been spent, and in another year a greater amount, the question would arise, why did you spend more money this year than you spent last year? That, I think, would be perfectly inconsistent with the notion of secret service money, and would be highly inconvenient to the public service.

870. Do you think that the general policy of our legislation, which provides that the sum spent by a department in any one year should be limited to the sum voted for the department for that year, is inapplicable to the present purpose?—I think so. I think Parliament would allow a certain discretion, as a matter of public policy, in a case of this kind. It limits the sum which is voted.

871. You have been in the habit of handing to the Exchequer and Audit Commissioners, previously to the Exchequer and Audit Act, certificates by the foreign ministers that they have spent so much money?—No. The foreign ministers abroad draw bills upon the Secretary of State, from time to time, for the money they require for secret service; and they send in a receipt to show that they are accountable for it. Under the provisions of the Act of Parliament, that receipt is filed in the Exchequer; and within a year after they return to England, they make a declaration similar to that which the Secretary of State makes, that that sum has all been expended for secret service.

872. That receipt you pass to the Comptroller and Auditor General?—That receipt is *pro tanto* a discharge to the Secretary of State.

873. *Chairman.*] I want to be quite clear as to whether I understand the sources of the secret service money. The Act of 22 Geo. 3, c. 82, to which reference has been made, regulates the issue of foreign secret service money to the extent of 10,000 *l.* charged upon the Civil List Revenues?—Yes.

874. Is there any sum for foreign secret service money now charged upon the Civil List Revenues?—No, I am not aware that there is.

875. There is no secret service money now obtained from that source?—I am not aware of any money issued to the Foreign Office coming from that source.

876. The 1 & 2 Vict. c. 2, provides for an issue out of the Consolidated Fund, not out of the Civil List Revenues, of 10,000 *l.* for home secret service?—Yes, I know there is a note upon the annual estimates now, saying that 10,000 *l.* is charged in addition to the sum voted by Parliament.

877. That is still a charge upon the Consolidated Fund, is it not, for the home service?—It would be better to ask those who represent the Treasury that question.

878. It does not come within the cognizance of the Secretary of State for Foreign Affairs?—It does not.

879. Then the whole sum to which your remarks have been applied is the sum voted by Parliament?—Yes.

880. You say that the law officers have given their opinion that the regulations affecting the issue and disbursement of secret service money falls under the Act of Geo. 3?—Yes.

881. How is it if the Act of Geo. 3 only refers to that secret service money which is charged upon the Civil List Revenues, and not to that which is voted by Parliament, that the provisions of that Act are taken to apply to the sums voted by Parliament?—I can hardly say, except that, time out of mind, it has been so; I found it so, my predecessor followed that practice, and it has been the practice unquestioned by the Audit Office for the last 70 or 80 years.

882. I wish to call your attention to the terms of the Act?—I know that the Act specifies the 10,000 *l.*; but as I was thinking the other day whence came the large sums expended on secret service, even within my memory, and certainly in time of war, I know enormously larger sums were spent, and how the Civil List could bear it I do not know.

883. There may have been accumulations from former years?—The accumulations of the 10,000 *l.* from former years would go a very little way.

Mr, *Hammond.*
Sir *W. Dunbar.*

25 May 1870.

884. The point I am upon is, as to the terms of the Act of George 3. It says, "It shall not be lawful to issue or imprest from the Exchequer," and so on, "from the Civil List revenues for the purpose of secret service within this kingdom any sum or sums of money which, in the whole, shall exceed the sum of 10,000 *l.* in any one year." And then the next section says, "When it shall be deemed expedient by the Commissioners of His Majesty's Treasury," and so on, "to issue, or in any manner to direct the payment of any sum or sums of money from the Civil List Revenues for Foreign Secret Service," so that this Act of George 3 applies to monies charged upon the Civil List Revenues?—I cannot tell you the fact, but I presume, that on the resettlement of the Civil List in 1832, provision must have been made for bringing that under the cognizance of Parliament; I am unable to go back so far as that.

885. In the case submitted to the law officers of the Crown, was their attention drawn to the fact that the money now supplied to the Secretary of State is supplied by a Parliamentary grant, and not from the old source to which the provisions of the Act of Geo. 3 applied?—I see, on referring to the case submitted to the law officers, that it was spoken of as the "Vote" for secret services as a lump sum.

886. But was their particular attention called to the fact of a distinction between the sources from which the secret service money came?—Of course, when we spoke of a Vote for Secret Service, that 10,000 *l.* could not come out of the vote.

887. Mr. *Stansfeld.*] I think you can safely say that their attention was called to it; the mere fact of referring them to the old Act of Geo. 3, and the Exchequer and Audit Act, would bring to their minds that distinction, would it not?—I should have thought so; first of all, referring the law officers to the Act, and then speaking of the annual Vote of Secret Service money, certainly must imply something beyond that 10,000 *l.*

888. *Chairman.*] How do they connect, in their opinion, the Secret Service Vote of Parliament with the secret service money charged upon the Civil List Revenues mentioned in the Act of Geo. 3?—I am unable to say that; it would be impossible for me to presume to give a legal opinion.

889. I did not wish to ask you for a legal opinion; I only wanted to know whether as a fact anything had been done to draw the attention of the law officers to the distinction betwen the two sources of supply?—The principle involved equally affects the offices of all the Secretaries of State, and the Admiralty, which share, though in different proportions, in the money annually voted by Parliament for foreign and other secret services; that is clear.

890. Mr. *Liddell.*] Will you tell me if there is anything, and if so, what it is, that prevents advances under the Civil List Act being made from the Civil List Revenues for secret service purposes?—You mean that 10,000 *l.*

891. Taking the maximum of 10,000 *l.*?—I would much rather that some gentleman from the Treasury answered that question, for I really know nothing since I have been in the office of any source from which secret service money is issued, except from the Vote of Parliament.

892. Except the fact that that Act is unrepealed, and consequently its provisions remain as originally framed on the statute book?—I presume that if it was urgently wanted there would be nothing to prevent part of that 10,000 *l.* being issued. I presume it might be so; but all I know is that I am not aware of our ever having claimed anything beyond what we considered was our proportion of the annual sum voted by Parliament; that is all I know of.

893. *Chairman.*] Are you aware of any Act which requires that the annual Vote of Parliament for secret service money should be administered under the provisions of the Act of George 3?—The only thing is that that Act is the one which has always regulated it. My attention has never been called to any other Act as requiring it. I consider that that Act regulates it, and the law officers consider that that Act regulates it. After all, it is a mere legal question, and in these questions we are always guided by the legal opinions of the law officers.

894. Mr. *Candlish.*] You said that money having been granted for secret service it became impossible for the balance at the end of one period to be surrendered to the Exchequer; you mean that there is a legal difficulty in the way?—There is the legal difficulty of our declaration, which is on oath.

895. The ground of the difficulty is that it is voted for special purposes?—The declaration which the Secretary of State makes is in the terms of the Act. I never could quite understand why the Under Secretary of State, who has no money issued to him, was called upon to make a declaration; but, however, I do make one. I will read to you the declaration the Secretary of State has to make.

896. We have it before us?—You will see from it that the money issued to him can only be expended for foreign secret service.

897. You contend that that is a legal difficulty in the way of surrendering balances to the source whence you got them?—Yes; under that declaration we cannot do so, because money once issued cannot be expended for anything except secret service, except in the case of foreign ministers. The Act of 22 Geo. 3, is very remarkable in that respect. It provides for a foreign minister surrendering a balance if he should have any in his hands, but there is no such provision for the Secretary of State.

898. Then, in your opinion, if it is the purpose of Parliament that these balances should be surrendered, further legislation is necessary?—Further legislation would be necessary to release the Secretary of State from that declaration; but as a matter of public policy I think it would be very bad policy to make such a change. I think it would be decidedly mischievous.

899. My question had reference to the legal difficulties in the way, not to the policy?—As a question of policy, after all there must be a certain amount of trust in public men, and I can assure the Committee that we have not the least wish to have a larger balance than I have stated. At least as long as I have been the Under Secretary of State there has not been the least wish to have more. A larger balance is rather a trouble than otherwise.

900. Mr. *Pollard-Urquhart.*] The declaration is only made every three years, is it not?—The declaration is made whenever the account is rendered. As I say, I generally settle it in about two years, or something of that sort. I am very much embarrassed now. I have Lord Derby's accounts, and I cannot get his discharge. A foreign

foreign ambassador wanted lately to go and make his declaration before the Exchequer. I said, "It is of no use your making your declaration, the Exchequer and Audit Office will not take it." I can hardly expose an ambassador to having his declaration thrown back in his face, so I recommended him to wait till the matter was settled.

901. Is the Audit Office calling for something different from you from that which it had last year?—The Audit Office ignore the Foreign Office altogether as the accountant. They require the Treasury to be the accountant. They require us to account to the Treasury. That, I say, is contrary to public policy as bringing more people into the knowledge of our Secret Service Account, and it does not give a single real check. All we should do would be to give to the Treasury the account that we give to the Audit Office, and the Treasury could only pass it on, because the Treasury, I presume, would no more question then than the Audit Office question now the details of the account. It is sufficient, and always has been sufficient, for the Audit Office to accept the accounts as they are rendered to them, with our statutory declarations and receipts, and that is all the Treasury could send in. It is obvious that the less publicity that is given to the Secret Service Account the better. I think, as I said in my letter to the Secretary of the Treasury, that it would be very undesirable that the Secretary of State's account should pass without audit; but I think the audit which has hitherto been practised, while it is all that we can give consistently with the notion of secret service money, is amply sufficient, and has been considered so by Parliament.

902. Is your objection to the intervention of the Treasury; if you accounted direct to the Audit Department, would that get over your difficulty?—That would not meet the requirements of the Audit Office, because the money is not issued to us as from Parliament. A lump sum is voted for Her Majesty's Foreign and other Secret Service, and I think it would be very inconvenient and a great mistake, as a question of public policy, to separate it in the vote by Parliament into so much money for the Secretary of State for Foreign Affairs, so much money for the Home Office, so much for the Colonial Office, and so much for the Admiralty. I think it would be a great mistake, because it would lead to a great number of very inconvenient inquiries, and if the inquiries were answered, it would lead to a great number of very inconvenient disclosures; in fact, it would neutralise the whole idea of secret service money.

903. *Chairman* (to Sir *William Dunbar*).] You have heard the questions which have been put to Mr. Hammond, will you state what your views are upon the subject; as a preliminary question, have you considered the point which was raised in the last few questions which I addressed to Mr. Hammond with regard to the distinction between the sum which was charged upon the Civil List Revenues and the sum voted by Parliament?—I shall touch upon all these points if you will permit me in the observations I shall make upon the evidence given by Mr. Hammond.

904. Then will you state it in your own way?—In the first place, I would say, that this question affords an apt illustration of the proverbial expression that "history repeats itself." This is an old controversy, but not an old controversy with a new face. It has been clothed up in the same arguments which were plied, with more or less effect, by the Secretaries of State between 1797 and 1807, and which were ultimately overruled. I have pointed out in my report that the Case and Opinion to which Mr. Hammond referred had not been submitted to me. The question arose upon the question of accounting. The Case was, however, drawn up, not in concert with the officer who, on the part of the House of Commons, exercises financial control over the votes of Parliament. Now, from the very meagre outlines which Mr. Hammond has given of that Opinion, I gather this fact, that the Opinion is founded upon an erroneous assumption; and if I can prove that, all his arguments fall to the ground with that assumption. The Opinion, and the arguments to support that Opinion, are based upon the assumption that the Secretaries of State, the Secretary of State for Foreign Affairs included, accounted to the Audit Office, under the provisions of the Civil List Act of 1782. When the controversy I referred to arose in 1797 between the Secretaries of State and the Commissioners of Audit, the Secretaries of State took precisely the opposite line. They declined to account for the monies advanced on the ground that they were not bound to do so under the Civil List Act. Then the Committee may ask, how came it that the Commissioners of Audit called for accounts? The Commissioners of Audit admitted the validity of the plea, that the Secretaries of State were not bound to account under the Civil List Act of 1782; but the Commissioners claimed a right to call upon them to account under the provisions of their own Act of 1785, constituting the Audit Board, which Act empowered them to make every public accountant accountable for the monies which he had received. The Committee will thus observe that the Exchequer and Audit Act, having superseded all the other Acts (and they were various), under which the Commissioners of Audit acted, if the Exchequer and Audit Act were not applicable to the votes of Parliament, the Foreign Office expenditure included, the Comptroller and Auditor-General would absolutely have no power whatever of calling upon the Secretaries of State to give in any account of the monies received for secret service. I have already stated that the Commissioners of Audit agreed with the Secretaries of State in 1797 that they were not bound to account under the Civil List Act. The Civil List Act did not prescribe any mode in which an account should be rendered, far less be audited. It prescribed simply the affidavits which should be held as complete vouchers for the payments made by the Secretaries of State and the officers acting under them. An opinion was taken, I think, in the year 1798, upon that subject. The views of the Commissioners of Audit were endorsed by the opinion of the law officers of the Crown in that year. The Treasury, however, did not show much disposition to aid the Commissioners of Audit in compelling the Secretaries of State to render accounts of secret service money; they did not put in force the opinion which had been thus obtained, and after a further period of from eight to 10 years, the Commissioners of Audit took another opinion of the law officers of the Crown, which again confirmed their views, that the Secretaries of State were not bound to account; while under the Civil List Act the Commis-

Mr. *Hammond.* Sir W. *Dunbar.* 25 May 1870.

Sir W. Dunbar. 25 May 1870.

sioners of Audit were entitled to call upon them to account under their own Act of 1785, and to require the Secretaries of State to produce, in support of the receipts, and the payments for secret service, those vouchers or affidavits which had been prescribed by the Civil List Act, as sufficient to substantiate the expenditure. Now the Committee will observe, that if the views of the Commissioners of Audit were right, and they were confirmed, as I have shown, by two several opinions of the law officers of the Crown, it was quite unnecessary when the Exchequer and Audit Act was passed which dealt with the votes of Parliament, and not with advances from the Civil List, to repeal clauses which had reference, not to audit, but simply to the vouchers which should be produced in support of the expenditure by the Secretaries of State. I repeat, it was not necessary to repeal the clauses of the Civil List Act, because it did not touch the question of audit. Mr. Hammond has informed the Committee that he accounts for the secret service money under the Civil List Act. That statement I must pronounce incorrect; he is under a misconception in supposing that he has accounted under the Civil List Act; he has accounted to the Commissioners of Audit under the Act of 1785, under the powers derived by the Commissioners of Audit from that Act, and under the powers which had been exercised by their predecessors, the auditors of imprest. Then the question arises, is there any difficulty in rendering an account under the Exchequer and Audit Act? I, for my part, can see none. Would any public inconvenience arise from rendering an annual account? I am prepared to prove that none such of any importance would or could result. The Treasury are in the administration of the Vote for 32,000 *l.* a year for secret service. They make issues from time to time to the several departments entrusted with the expenditure of secret service money. Let us suppose that they advance a sum of 15,000 *l.* to the Foreign Office for secret service, and at the end of the year they call for an account of the expenditure, that being the sub-voucher to the appropriation account, which they are bound to render to the Comptroller and Auditor General, the account of the Secretary of State might be rendered to the Treasury in this form (*producing an account*): The "account of the Secretary of State for Foreign Affairs in respect of secret service money for the year ended 31st March 1870; received from Paymaster General, 15,000 *l.*; payments expended within the year, 13,000 *l.*; balance 2,000 *l.*;" and the Secretary of State might add this certificate: "I hereby certify that the actual amount expended by myself, or under my directions, for secret service within the year ended 31st March 1870, was 13,000 *l.*, as above stated, and that the vouchers for the same prepared in conformity with the Civil List Act have been transmitted to the Exchequer and Audit Department, 30th November 1870." Now I would ask the Committee what information would that afford to any one at the Treasury or Audit Office, that could be of any public inconvenience?

905. Will you hand in that form of account?—I will. (*The same was handed in,* vide *Appendix*).

906. This supposes that the vouchers mentioned in the Civil List Act are applicable to the disbursement of money out of the vote of Parliament?—Yes, as sub-vouchers to the Treasury account, they would be simply the vouchers that had been in time past sent to the Audit Office by the Secretaries of State. It would practically be the same account they have heretofore rendered. The account would be passed on with the Treasury appropriation account to the Audit Office, but the vouchers would be forwarded direct to the latter department from the Foreign Office.

907. You are assuming that the provisions of the Civil List Act are applicable to the money voted by Parliament?—No.

908. In this account you are?—No, that is a sub-accountant's account, rendered to the Treasury according to the Exchequer and Audit Act; but accepting, in support of the payments included in that account, the vouchers prescribed by the Civil List Act.

909. That assumes that the provisions of the Civil List Act are applicable to money voted by Parliament as secret service money?—I am disposed to admit its provisions as regards the sufficiency of the vouchers or affidavits that were made compulsory by that Act, and which were not expressly repealed by the Exchequer and Audit Act.

910. But in a letter from your office, signed by Mr. Ryan, dated the 10th of December 1869, at page 59, there occurs this passage: "The Civil List Act, 22 Geo. 3, c. 82, which seems to have reference, not to monies voted by Parliament, but to advances for secret service out of the Civil List Revenues, which were charged on the Consolidated Fund, would not render any aid in settling the question, though all its provisions were still operative, inasmuch as it does not provide for an audit of secret service monies by the department of audit." That letter appears to take the view that was suggested by the questions I put to Mr. Hammond at the end of his evidence, that the provisions of the Civil List Act of George the Third, do not apply to monies voted by Parliament?—We consider that they do not apply to monies voted by Parliament; but it has been the practice of the Commissioners of Audit for a long time past, from the nature of the service, upon which the money is expended, to admit the vouchers prescribed by the Act of 1782, as a sufficient warrant to them to clear the account, and we would not change the practice.

911. I am not giving this as my opinion, but taking the supposition that that Act does not apply at all to monies voted by Parliament, then the Audit Office need not accept the vouchers which are prescribed by that Act in discharge of the Civil List?—No; strictly speaking, no doubt the Audit Office are not bound to accept them, inasmuch as that Act has no reference to monies voted by Parliament; but I qualify that by saying that it lies within its discretion to accept a voucher in support of a payment; practically, it lies in the discretion of the Comptroller and Auditor General to decide what is the degree of proof that he requires in support of a special payment. Having regard to the nature of the service, he would accept the same vouchers for the account as the Commissioners of Audit have done before him.

912. And you would be prepared to accept the same degree of proof as is prescribed in the Act of Geo. III.?—Precisely; I should be satisfied with that proof, I require no more; and if they render

render the account in that shape, with the supporting affidavits and declarations of the foreign ministers who have severally expended the advances made to them, I shall accept those vouchers as sufficient; there is no real solid impediment to the rendering of that account annually.

913. And then you say, that if there is any balance over it ought to be annually surrendered to the Exchequer?—Yes, the Exchequer and Audit Act requires that it should be surrendered; and I confess that I cannot understand by what process of legal ingenuity the opinion is arrived at, that issues made from the Secret Service Vote are to be held as equivalent to payments. You have yourself, from the chair, shown that that clause in the Act is so precise that he who runs may read; and that specifically enacts that issues are to be excluded from every account, and payments only entered.

914. Without seeing the case submitted to the law officers of the Crown, I am unable to say how they get over the difficulty that occurs to my mind with reference to the 24th section of the Exchequer and Audit Act?—Let me inform the Committee that the account for secret service has throughout been of the nature of an appropriation account; an appropriation account is an account of a special service for a fixed period, containing the receipts and payments appropriated to that service. The Secret Service Account has been from its very inception, in 1807, up to now, an appropriation account, and yet the opinion of the law officers of the Crown would seem to hold that it should not be considered an appropriation account, and that the plan hitherto adopted of giving a solemn declaration as a voucher for an actual payment is to be superseded by another plan, to the effect that the Secretary of State should simply give his receipt for an issue. This view is sustained, as it appears to me, neither by the Exchequer and Audit Act nor by the Civil List Act of 1782, if the opinions of former law officers of the Crown are to be accepted as expositions of the law. Let me tell the Committee, with regard to this question of secret service money, that between the years 1700 and 1782, all secret service money was issued without account. In 1782, the attention of Parliament was called to the circumstance, when it was determined that that state of things should not continue. The Act of 1782 was therefore passed, and it gave the first indication of an intention on the part of Parliament to call the administrators of the secret service money to account. All monies advanced thereafter for secret service were entered on the imprest notes as monies to be accounted for. As I have before observed, the Civil List Act, namely, the Act of 1782, did not absolutely impose upon those officers the obligation to account. It made no reference to audit. It simply prescribed the means by which they should be able to clear themselves if they did account. But Parliament conferred separate and important powers upon another body, the Commissioners of Audit, to call all public accountants to account, and that body, in the exercise of its jurisdiction, did call the Secretaries of State to account, and after a fight of 10 years, succeeded in compelling them to give an account of the monies they had received. Now I will show the Committee the inconvenience with which the system of non-accounting was attended. Although the Commissioners of Audit had the power of calling for an account of secret service money, under their Act of 1785, they overlooked the fact until 1797, 12 years afterwards, when it was discovered that sums amounting in the aggregate to 1,740,000 *l.*, remained unaccounted for.

Sir *W. Dunbar.*
25 May 1870.

915. Mr. *Pollard-Urquhart.*] When was this?—In 1797; they called upon the several accountants to account for what they had received; and there are proofs in my hand that in several cases the public accountants had died before the three years had expired. The Secretary of State in one case had died, and neither his officers nor personal representatives could render any account; the Under Secretary of State had died, and no account could be rendered either of his disbursements, or of the disbursements of the Secretary of State; there were, consequently, enormous sums of money that could never be accounted for, from the circumstance that the persons accountable had died during the three years allowed for the delivery of the accounts; I can perfectly understand, that at a period when the communications with distant places were slow and infrequent, it might be necessary to give the Secretary of State the power of rendering his account once in three years, but when, by means of steam and electricity, all the ends of the earth have been brought together, can it be said now that any public inconvenience would arise from the various departments which have charge of the money being called upon to render an account of it once within 20 months? All that the Exchequer and Audit Act requires is, that within 20 months they should render an account in the form I have indicated. The vital principles of that Act should be maintained, and, in my opinion, ought on no account, or, at all events, not except on very strong grounds indeed, to be departed from, namely, that every account should be rendered for the year to which the vote applies, that payments and not imprests or issues should be included in it, and that every accountant should surrender his balances into the Exchequer at the end of the financial year. Mr. Hammond has founded rather strongly upon the circumstance that the Secretary of State had under the Civil List Act three years to render his account in, but the Committee did not ask him what had been the practice; he said that a great public inconvenience would arise from the rendering of the accounts more than once in three years, but that statement does not accord with the practice of the department. I have here 40 accounts rendered by the Foreign Office, 15 were rendered under a year, in periods varying from two months to 12 months.

916. *Chairman.*] To whom were they rendered?—To the Audit Department.

917. The old Audit Department?—Yes; 15 were for periods under a year varying from two months to 12 months, so that it would appear that they were able to gather up all the sub-vouchers for the disbursements in order to render them for audit; and it does not yet appear that any public inconvenience has arisen from the circumstance of the audit officers being made acquainted with the disbursements during the limited periods for which the accounts were rendered; 11 were rendered in periods varying from 12 months to 18 months, six from 18 to 24 months, and two from 24 to 26 months; and it is a curious fact that there were only five accounts rendered for periods exceeding two and a half to three

Sir *W. Dunbar.*

25 May 1870.

years; 15 out of them were actually rendered for periods under a year. I will mention the periods, seven months, 14 months, seven months, seven months, 18 months, six months, 24 months, 12 months, 13 months, and so on.

918. Mr. *Seely.*] Are those yearly accounts?—Some were half-yearly accounts, or for other short periods.

919. *Chairman.*] What was the nature of the account rendered in those cases?—It was just such as I have described; what I have handed in is almost a transcript from what they have actually rendered.

920. That was an account of actual payments, was it?—It was an account of actual payments. The Secretary of State made a solemn declaration to the effect that he had disbursed, for the purposes of secret service, so much money. Each officer who had disbursed money under his directions made a solemn declaration that he had disbursed, for the purposes of secret service, so much money. Each minister abroad made a declaration to the same effect. He gave a receipt for the money, and stated that he had disbursed that money for secret service. Mr. Hammond's evidence went to the effect that advances were made to the ministers. We find, on the contrary, that ministers abroad, when they have occasion to expend money for secret service, draw bills upon the Foreign Office. The fact, I believe, is, that they receive the money when they want to employ the money; it does not appear in the shape of advances. The whole of those bills drawn by them come into the account which they render to us. There is no practical difficulty about it whatever.

921. Mr. *Candlish.*] You mean the drafts of the foreign ministers?—Yes.

922. Mr. *Liddell.*] Does not it come to this, that the foreign agents and consuls receive the money, in many cases, after they have paid it?—No, they raise the money abroad; they know that there is so much money available; they receive certain instructions from home, I presume; they act upon those instructions, and they draw for the money they want.

923. Mr. *Candlish.*] They negociate the bills abroad?—Yes.

924. *Chairman.*] They draw bills abroad which are honoured by the Treasury?—Yes; if the Committee desire to see it, I have a schedule of bills drawn abroad in Lord John Russell's account in 1852, which is now before me. I can show the vouchers of the foreign diplomatic agents or ministers, with a schedule of the bills, not the bills themselves. A schedule is attached to the account showing the bills drawn by the foreign ministers.

925. Mr. *Pollard-Urquhart.*] When Mr. Hammond stated just now that considerable public inconvenience would arise from annual clearings of the accounts of secret service money, did you not understand him to mean that that inconvenience would arise entirely from making them public?—Yes; but the annual clearings of the actual expenditure disbursed by the several Secretaries of State would not be made public.

926. Did you not understand him to refer solely to that?—I understood him to say, that if the accounts were rendered annually to the Treasury, there would be considerable risk of detection of the purpose to which the money had been applied, and that, consequently, great public inconvenience might result from it. I say that his statement is belied by the practice of the Foreign Office, for I have shown the Committee that a great proportion of these accounts have been annual accounts. If the danger he apprehends is so great, why were these accounts rendered for periods of seven months, 14 months, seven months, seven months, 18 months, six months, 24 months, 12 months, 13 months, in one case four years, 20 months, and so on.

927. *Chairman.*] Will you give us the first date and the last on which these accounts were rendered; between what dates were they?—They were between the dates of 1802 and 1865. Here is a case in point: an account of Earl Russell, from the 1st of April 1865 to the 3rd of November 1865, that is, seven months; that was delivered three weeks afterwards. Then I have a case of an account of the Earl of Clarendon, from the 3rd of November 1865 to the 6th of July 1866, that is, eight months; it was delivered six months afterwards, therefore, within 14 months; and the requirement under the Exchequer and Audit Act is, that appropriation accounts shall be delivered within 20 months. These are two recent cases. I will hand in this paper stating the periods in the case of the Foreign Office. (*The same was handed in*, vide *Appendix.*)

928. Mr. *Pollard-Urquhart.*] Are these accounts printed and made public in the form you suggest?—No, they are not made public; the Secretary of State's account would be, as appears by the form I have handed in, simply an account of certain issues and certain expenditure. It would be a sub-account to the Treasury Appropriation Account of the whole Vote, but would not be made public.

929. But Mr. Hammond is of opinion that an account of certain issues, and certain expenditure, being published every year, would afford a degree of knowledge to foreign states that might be inconvenient. Surely, a greater degree of information would be afforded to foreign states by the rendering of the account and declaration annually, in the manner suggested by yourself, than is at present the case?—No, I think not.

930. *Chairman.* Would you state exactly what you think ought to be required?—What I think ought to be required is an account from the administering department of the sums received, and actually paid within the financial year. In this case the Treasury, as the administering department, would render the account of the Vote; the sum received would be the Vote of 32,000 *l.*, which would be entered on one side of the account; and on the other side of the account would be entered the payments, which would appear in a lump sum, actually disbursed by the several departments to whom the issues had been made by the Treasury within the financial year.

931. Without details?—Without details, and with the self-same vouchers I referred to, which are prescribed by the Civil List Act, and which the Comptroller and Auditor General may and would for the purposes of secret service hold sufficient.

932. That would give the lump sum expended within the year, by the Secretary of State?—Yes; but the actual smaller payments making up that lump sum would be known only to the Comptroller and Auditor General, as they have been known to his department from time immemorial.

933. They would not be published or adverted to in the report?—They would not be adverted

to in his report to the House of Commons unless there had been a wrong application of an issue. Of course, observations would be made upon the account in that case. Supposing a foreign minister had received 1,000 *l.* for secret service, but it appeared that from some cause, more or less urgent, he had applied it to some other purpose, of course the Comptroller and Auditor General would point out the fact that he had appropriated it to some other purpose than that for which it had been intended. But, except in such a case as that, no remarks could arise upon the account except this, that a certain amount had been voted by Parliament, and that a certain proportion of that amount, or the whole, had been disbursed by the several parties.

934. And showing the balance to be surrendered? — Yes; showing the balance to be surrendered at the end of nearly two years, as it would be. Mr. Hammond said that it was of importance that the Secretary of State should have a half-year's balance in hand for any emergency; I must say that I did not see the drift of that argument. Surely, the Foreign Secretary, if he is in need of money for some emergency, has only to appeal to the Treasury for an issue, and he can always get an issue for secret service for any purpose for which he may require it. It is not necessary that he should retain a balance in hand in order to meet an emergency; an emergency may be met by an application to the Treasury for an issue.

935. Mr. *Pollard-Urquhart*] After all, if that statement was rendered in the mode you suggest, it would not afford the Foreign Governments the means of ascertaining what had been done with our secret service money very much more than the account of 1865 does?—No; we have been dealing with the case of the Foreign Office, but there are three other offices concerned in the question; the Colonial Office, the Admiralty, and the Home Office. The Colonial Office have rendered 14 accounts; of those 14 accounts they have rendered 10, in from two to 18 months; surely, it is as important that the Colonial Office should keep their expenditure of secret service money secret, as it is for the Foreign Office to do so; yet they have rendered 10 accounts in from two to 18 months; they had a period of three years for rendering those accounts by the Civil List Act. The same remark applies to the Admiralty, and to the Home Office also, though not quite to the same extent in the latter case.

936. All these accounts to which you have referred are sent to you directly by the Foreign Office; they are not sent through the Treasury, are they?—No; all these accounts had, before the passing of the Exchequer and Audit Act, been sent to the Audit Office, as I explained, under the Act of 1785, which conferred powers upon the Commissioners of Audit to call for these accounts. When the Exchequer and Audit Act was passed, all other Acts having reference to audit were repealed, and by the cessation of the powers of the Commissioners, the Exchequer and Audit Act remained the only statute in virtue of which the Comptroller and Auditor General could look at, examine, or audit any account whatsoever. The practical result, therefore, is this, that if the Secret Service Vote were not audited under the provisions of the Exchequer and Audit Act, it would pass altogether unaudited, because the Comptroller and Auditor General has been deprived of the powers which the Commissioners of Audit exercised in virtue of their Act now repealed.

937. But if I understood Mr. Hammond right, he said that it was the wish of the Comptroller and Auditor General that the accounts should be submitted first of all to the Treasury, and then sent from the Treasury to the Exchequer and Audit Office?—As a sub-accountant of the Treasury, the Foreign Office must give an account to the Treasury. That account is sent with the account of the Treasury as the administering department to the Audit Office to substantiate the payments included in the Treasury account.

938. And Mr. Hammond, I believe, rather objected to that, saying that the fewer hands the accounts for secret service money passed through the better?—I propose to obviate that difficulty by empowering them to render the account which I have handed in of the lump sum, with a certificate to the effect that the vouchers had been sent on to the Audit Office in support of that lump sum. The Committee will therefore perceive that whatever information those vouchers contain would be as between the Foreign Office and the Audit Office as it always was before, and no information would be communicated to the Treasury. I propose that as an expedient to get over the difficulty which Mr. Hammond has suggested. In an ordinary case the accounting officer of the Administering Department sends in support of its accounts all the sub-accounts with their vouchers. He examines them, and sees that they are correct; he attests his account, and sends it forward with the sub-accounts. I propose in like manner that the Treasury in this case should send forward their appropriation account with the sub-account of the Foreign Office of the lump sum, and that the vouchers bearing out that lump sum in detail shall be sent to the Exchequer and Audit Office to come under their cognizance alone, without passing into the hands of, and therefore without any interference on the part of the Treasury.

939. Mr. *Stansfeld.*] What vouchers would those be?—Those vouchers would be simply the affidavits which the Civil List Act of 1782 prescribes. And though I were gifted with second sight I maintain it would be impossible for me to derive any information of a detrimental character, or any information from which any public inconvenience could result from these affidavits. The Audit Department is not, and never was, entitled to go into the particulars of the expenditure, or into questions of specific application where secret service money is concerned.

940. Do you consider that these affidavits would be "vouchers" within the meaning of the Exchequer and Audit Act?—I think they would be sufficiently so, and I will state my reason; in the first place, the nature of the service very clearly indicates the degree of examination which an auditor should give to such an account, and secondly the nature of the evidence and the degree of proof to substantiate an actual payment which should satisfy the auditor is by the Exchequer and Audit Act left greatly to his own discretion.

941. Then you think that it is not absolutely necessary under the Exchequer and Audit Act, that a voucher for a payment should be a receipt for that payment?—I do not propose to take a receipt;

Sir *W. Dunbar.*

25 May 1870.

receipt; I propose to take an affidavit of a payment.

942. And that you think would comply with the Exchequer and Audit Act?—Yes, that in my opinion would comply with the Exchequer and Audit Act.

943. *Chairman.*] Mr. Hammond's objection to the yearly account was, that it would reveal to the public the money that had been spent in each year, and that they would draw their own conclusions from the variations in amount, and from a knowledge of the occurrences that were taking place as to where the excess over the ordinary expenditure must have been spent; have you anything to say in answer to that?—What I have to say in answer to that is, that undoubtedly the account would show that a lump sum, let us assume of 20,000 *l.*, had been expended by the Foreign Office, and 5,000 *l.* by the Home Office, and another 5,000 *l.* by the Colonial Office; now supposing that that was shown, what is the public inconvenience that could arise from it? Would any one country know whether any portion of that 20,000 *l.* had been spent within its dominions, and is it not important for this country to know the total amount that is spent, and for the House of Commons to be enabled to exercise some control over the establishments which have the expenditure of such monies? It is obvious that in 1782, Parliament began to think that it was necessary to establish some control over that expenditure; and the Exchequer and Audit Act, as it appears to me, was intended to strengthen that control. Let me correct myself, Mr. Ryan reminds me that the expenditure of secret service money would not appear under the separate heads I have mentioned of the different departments, but would simply appear in the appropriation account rendered by the Treasury, as I have before stated, in one sum, so that the inconvenience complained of could not arise.

944. Supposing an account of yearly expenditure was required, if it appeared by the account that a larger sum was spent in one year than in the last, people would be able to form a shrewd guess as to where the excess had been spent?—They might be able to make a guess, but it could only be a guess; it would not appear from the account.

945. Still they would be able to make an inference; that is Mr. Hammond's objection?—Supposing 30,000 *l.* to be spent in one year, and 35,000 *l.* in another, persons might be enabled no doubt to draw a general inference that more money had been spent somewhere; but what would be the public inconvenience that could arise from it? How could the excess be imputed to the Foreign Office more than to the Colonial Office, or the Home Office? Under the existing circumstances in Ireland, might it not be possible that it might be attributed to expenditure in the Home Office, and yet that expenditure might not have occurred there, but in the Foreign Office. How could it be identified with the Foreign Office any more than with the office of any other Secretary of State entrusted with the expenditure of secret service money? No doubt people may make a guess that 10,000 *l.* had been spent in Ireland instead of 5,000 *l.*, but it might be a wrong guess. The fact might be that the additional 5,000 *l.* had been spent on foreign secret service; the account would not show where it had been spent.

946. Mr. *Liddell.*] Could you put in, in addition to the paper which you have handed in for purposes of comparison or contrast with that paper relating to the Foreign Office, a similar paper relating to the Home Office, showing the periods of rendering appropriation accounts of secret service money?—I will put it in. (*The same was handed in,* vide *Appendix.*)

947. Will you put in a similar paper relating to any other office for purposes of contrast?—I will put in a statement relating to the Colonial Office. (*The same was handed in,* vide *Appendix.*)

948. Do I understand you that as far as the Treasury is concerned, you think that the Secretary of State's receipt to the Paymaster General for the lump sum should be a sufficient discharge, but that you would require further, for a more efficient check, the affidavits from the different agents, foreign ministers, consuls, and others of the receipt and payment of those monies to be produced?—No; what I proposed was this, that an account should be rendered in the form in which I placed it in the hands of the chairman, stating on the one side the receipts of the Paymaster General, and on the other side the lump sum of the actual disbursements by the Secretary of State, and the officers under him.

949. Should that go from the Treasury?—That should go from the Foreign Office, and from the Colonial and Home Offices, and to the Treasury; it would simply show the Treasury the lump sum expended by each Secretary of State. For instance, in the case of the Foreign Office, it would show that (we will say) 15,000 *l.* had been advanced by the Treasury, 13,000 *l.* had been spent, and 2,000 *l.* remained as a balance, that the Secretary of State had put his attestation upon the account, to the effect that it was a true account of monies which had been disbursed by him, and under his directions for the purposes of secret service, and that the affidavits prescribed by the Civil List Act of 1782, as supporting vouchers, had been transmitted to the Exchequer and Audit Department. The effect of that would be this. The Treasury would only have the knowledge of the fact that a total sum of 13,000 *l.* had been expended; they would previously have had knowledge of the fact that 15,000 *l.* had been issued from the Exchequer; it would therefore convey no more information than they had before, or scarcely any more. The vouchers supplied by the Foreign Office to substantiate their total expenditure would be sent in, with the sanction of the Treasury, to the Exchequer and Audit Department, and would be examined in support of the 13,000 *l.* in detail, and the information that they contained would be confined, as heretofore, exclusively to the Foreign Office and the Audit Office, as proposed by Mr. Hammond. Similar accounts of secret service would be rendered to the Treasury by the other Secretaries of State, and the only expenditure that would appear in the appropriation account rendered by the Treasury, as the administrator of the Vote, to the Audit Office, would be the aggregate or lump sum expended by all the departments. What Mr. Hammond objects to is not the giving information to the Audit Office, but the Treasury; and in order to meet his objection to the Treasury having any information, which the separate vouchers might afford, I say in reply, send your account of disbursements in a lump sum to the Treasury; make the attestation on the account which

which I have described, and that you send on the supporting vouchers to the Exchequer and Audit Department. Then, whatever you consider important will be confined, as it is at present confined, without objection on your part, to the Foreign Office and the Audit Office. I hope I have made what I propose clear to the Committee. Sir *W. Dunbar.* 25 May 1870.

Mr. Morgan Hugh Foster, C.B., called in; and Examined.

950. *Chairman.*] I wish to call your attention to the terms of the 24th Section of the Exchequer and Audit Act, which says "no imprest or advance of the application, of which an account may not have been rendered to, and allowed by, the Accounting Department, shall be included on the discharge side thereof." The Treasury are the Accounting Department in the case of secret service money, are they not?—They are. Mr. *Foster.*

951. Then when money is issued to a Secretary of State, as in the case of the account of this Vote we are now upon, has an account of the application of that money been rendered to, and allowed by the Treasury?—No, it has not.

952. What is your opinion as to whether an issue of secret service money to the Secretary of State is an imprest or advance within the meaning of that section?—As regards the legal interpretation of it, I agree in the view that the issue to the Secretary of State is an imprest or advance. The question of policy is, of course, a different matter.

953. But you consider that it is an imprest or advance?—I cannot look at it in any other light. —(Sir *William Dunbar.*) I would observe that if the account consisted simply of imprests or advances, you would bring back the state of things which existed antecedent to 1782, which it was the object of the Civil List Act and the Act of 1785 to put a stop to. The Civil List Act and the Act of 1785 required accounts to be rendered, not of issues, but of payments. Throughout the whole of the last 63 years, the accounts rendered have been accounts of payments. To admit, therefore, an account of issues would be simply to revert to the state of things which existed before 1782, when secret service money was issued without account.

954. (To Mr. *Foster.*) Have you seen the case submitted to the law officers, and their opinion upon it?—No, I have not.

955. Lord *F. Cavendish* (to Sir *William Dunbar*).] If I understand you rightly, you would be satisfied if the account of secret service money was rendered 20 months after the expenditure?—They are not bound, under the Exchequer and Audit Act, to render it in less than 20 months from the commencement of the financial year.

956. But in the form you have put in you give an account of all the expenditure up to the 31st of March of a certain year, and that account is to be rendered on November the 30th?—Yes. Under the Exchequer and Audit Act all accounts of voted services are rendered for the financial year; and eight months are allowed by the Act for rendering that account. The account would appertain to payments made within the financial year, but it would not be rendered for eight months thereafter.

957. But sums might have to be accounted for on the 30th of November which had only been expended on the 31st of March; in that case an account would have to be rendered within eight months, not within 20 months?—The eight months are allowed in order to get in all accounts from all parts of the world, and therefore all payments would appear in that account of monies which had been expended in the course of the financial year. That is the principle upon which the Exchequer and Audit Act is based; and it applies to the army and navy as well as the Foreign Office services. What Parliament wants to know is what is the amount of money expended for any particular service within the financial year. The additional time is allowed for the accountant to get in all his sub-accounts and vouchers, and to render the account based upon them to the Comptroller and Auditor General. The account would, of course, not include a payment made on the 30th November, unless it applied to a service performed during the financial year ended 31st March preceding.

958. Mr. *Seely.*] Have you had accounts submitted to you which you were unable to audit?—Lord Stanley's account was submitted to me; and when the Treasury interposed to the effect that I was debarred from calling for an account of secret service money under the Exchequer and Audit Act I returned that account, because I had no other statutory powers to deal with it.

959. You said that the Treasury issued to the several Secretaries of State certain sums of money?—They do.

960. Do they not issue sums to other parties besides Secretaries of State?—For secret service they can only issue, I apprehend, to the persons indicated by the Civil List Act, but I am not aware of what they do. They may issue to other persons for aught I know to the contrary. It does not come under my cognizance.

961. (To Mr. *Foster.*) I will repeat to you the question I put to Sir William Dunbar—are there not other parties besides the Secretaries of State, who share in the receipt of secret service money?—The Vote for Foreign Secret Service Money is divided between the Foreign Office, the Home Office, the Colonial Office, the Admiralty, and the Chief or Under Secretary for Ireland in different proportions. Those proportions are determined by the Treasury, and not by any Act or other decision.

962. Have they any fixed rule?—The Treasury have the power of varying the proportions; but it is customary to give it in fixed proportions.

963. Has it been the practice for some years past to give the same amount to each department?—Yes, nearly.

964. Mr. *Stansfeld.*] Do you mean the same amount or the same proportion?—With the exception of the Foreign Office, which has now and then drawn less than its usual share, the other departments annually get the same amount.

965. Mr. *Liddell.*] Are those proportions assigned as soon as convenient after the money is voted by Parliament?—The proportions are not assigned annually. There are certain proportions in which the money is issued upon the demand of the department concerned. Upon any of these departments applying to the Treasury for an issue, we issue to that department an amount

Sir W. Dunbar. Mr. Foster. 25 May 1870.

equal to the proportion that is usually assigned to it. Supposing any variation were required, that would be a matter that would be dealt with under the consideration of the Treasury.

966. Mr. *Seely.*] Does the Treasury retain any portion of the vote for its own use?—None whatever.

967. *Chairman.*] But the proportions may be varied by the Treasury at their discretion?—Yes, at their discretion.

968. Mr. *Liddell.*] Then it would assume the form of an estimate, furnished by each department, of the amount which that department thought was necessary for its purposes during that financial year?—I think it would hardly be that. Take, for instance, the sum assigned to the Home Office. The Home Office knows the amount it is entitled to draw for, and it would restrict its requirements within that amount. If it were allowed to make an estimate for what it would require, it might possibly ask for a larger sum.

969. Supposing such an occurrence as a secret conspiracy in Ireland to take place, and supposing the consequent demand of the Irish Secretary, or the Home Office, as the case might be, was a sudden demand, and swelled very largely the amount that the department thought it would require, what steps would the Treasury then take in the event of such a largely augmented demand arising from a particular department; how would they meet the ordinary demands from the other departments?—Probably the course would be this: the Foreign Office having the largest share of the Secret Service Vote, there would be private communication between the Treasury and the Foreign Office, to know whether, under the circumstances, the Foreign Office could not spare a portion of that which is usually assigned to them.

970. As a matter of fact, do excesses upon this vote (I am speaking now of the whole Vote for Secret Service) often arise, necessitating supplementary estimates being submitted to Parliament?—Such a thing has, within my recollection, never occurred. The contrary has been the fact; that a portion of the vote has been surrendered.

971. *Chairman.*] In the Appropriation Act of 1866, which I have before me, and I suppose the others follow it, I see the schedule contains these words, "For Her Majesty's Foreign and other Secret Services, 32,000 *l.*," so that there is nothing in the Appropriation Act to confine it to any particular department?—None whatever.

972. (To Sir *William Dunbar.*) Have you taken legal advice upon the point we are discussing?—I have not taken legal advice upon the point; I told the Committee that I had two opinions in my possession, taken in 1798 and in 1807 respectively.

973. You think that the opinions then taken govern this case?—Yes; the opinion of the present law officers that the Civil List Act is still operative, and must therefore be set up as against the Exchequer and Audit Act, seems to be based upon the statement of fact, probably, and if so, erroneously, submitted to them, that the Foreign Office had always accounted for secret service money under the Civil List Act. The Commissioners of Audit, however, as advised by the law officers of 1798 and 1807, called for accounts of secret service under powers conferred by their own Act of 1785, and not by the Civil List Act of 1782, the provisions of which were held not to be applicable, except as regards the production of the affidavits, which were to be accepted as complete vouchers in support of the expenditure. The Secretaries of State had previously declined to render accounts, on the ground that they were not bound to do so under the Civil List Act; and their view was in this respect held to be correct by the Commissioners of Audit, under the opinions obtained from the law officers.

974. Mr. *Stansfeld.*] You have not seen the case submitted to the law officers of the Crown, have you?—No; I stated in the outset of my evidence, that from the meagre statement which had been made, I had drawn certain inferences; in the course of Mr. Hammond's statements, he more then once referred to the fact that the Foreign Office had rendered those accounts in virtue of the Civil List Act; I say that that was a misconception on his part. What I meant to indicate as the tendency of my opinion was, that inasmuch as the Civil List Act never applied to the case, there was no need of legislation, as the account could be rendered under the existing law, and without any public inconvenience; I wish to add a word or two more to evidence; I stated that under the Exchequer and Audit Act, the Accounts are deliverable within 20 months. I wish to add that they are not reported upon, nor will they come in any shape before the public, until nearly two years have elapsed from the commencement of the financial year.

975. *Chairman.*] We are now inquiring into the Accounts of Votes taken for the year ended 31st of March 1869?—Yes; under the Civil List Act, the Foreign Office Account for secret service must be delivered within three years, or at the latest, in the course of the third year. Under the present practice, it would be deliverable in the course of the second year and would not be reported upon, nor could the public come to any knowledge of the nature of these accounts for nearly two years. The difference as to time in the delivery of the account, as required by the two Acts, is about a year.

976. Mr. *Stansfeld.*] You mean for nearly two years from the commencement of the period to which the expenditure applied?—Yes; nearly three years. By the Exchequer and Audit Act nearly two years, and by the Civil List Act nearly three years. The past accounts of secret service have, however, in many cases been delivered, as I have shown, under two years.

977. *Chairman.*] We are now on this day inquiring into the accounts of votes for the year ended 31st March 1869, so that we are only a little over a year from the expiration of the financial year, the accounts of which we are inquiring into?—Yes, fully a year.

978. And your reports have run over a considerable space of time?—Yes, over the whole financial year ended 31st March 1869.

On Vote 18, Class 2.

979. Mr. *Pollard-Urquhart* (to Mr. *Foster*).] In the 11th paragraph of the Third Report of the Public Accounts Committee of last year it is stated: "The accounts of the Commissioners of Woods and Forests contain numerous items of expenditure, of which a part are for salaries and the expenses of officers, and the rest for disbursements in improving the landed estate of the Crown, None of this expenditure is voted by Parliament,

Parliament, whilst, at the same time, a large amount is voted by Parliament for the official establishment and expenses of the Commissioner of Woods and Forests. Your Committee were informed that this mode of dealing with the expenditure was settled in the year 1851, when the separation of the expenditure from the receipts of public monies had not been so fully carried out as at present, and the practice of voting the public expenditure had not been so generally adopted. Your Committee, therefore, recommend that the present mode of dealing with the expenditure of the Department of Woods and Forests should be again considered by Her Majesty's Government;" can you state to the Committee whether the present mode of dealing with the expenditure of the department of Woods and Forests has been again considered by Her Majesty's Government as recommended by the Committee?—I am not aware that it has as yet come under the consideration of the Government. There is a Treasury Minute, which states, "My Lords are desirous, before taking any steps upon the questions referred to in the 11th and 12th clauses of the Third Report" (of the Public Accounts Committee), "of bringing the subjects to which they relate again under the notice of the Committee; and they therefore consider it desirable to defer for the present any action in relation thereto." Mr. *Foster.* 25 May 1870.

980. Mr. *Stansfeld.*] The Minute does not imply that the subject was not considered by the Treasury?—No.

981. *Chairman.*] Then have you any considerations to bring before the Committee in reference to the suggestion made in the Report of last year?—I have not at present.

The Right Honourable JAMES STANSFELD, a Member of the Committee; Examined.

982. *Chairman.*] HAVE you any considerations to submit to the Committee with reference to the report of last year?—The suggestion of the Public Accounts Committee of last year was considered by the Chancellor of the Exchequer and the Board of the Treasury, and the inclination of the Chancellor of the Exchequer's opinion, and of the opinion of the Board was not in favour of the change of system suggested by the Committee; we thought that there were some serious objections to it; that it was inconsistent with the arrangements made in the Civil List Act at the beginning of the reign; that the public interest was in the net receipts from the Woods and Forests, and that there was no practical administrative reason making it to our minds imperative, or urgently desirable, that the change should be effected. That was the general conclusion of the Treasury when they inquired into the matter. They hope that the Committee will reconsider the question this year; and if they were inclined to reconsider it, it would be the duty of the Treasury to put evidence before them as to the nature of the objections which they entertain to the course suggested. There were two courses open to the Treasury; they might have come to a positive conclusion and embodied it in a Minute, or they might have adopted the course which they did adopt, instead of doing that, namely, to ask the Committee to reconsider the question, and perhaps reconsider it rather more fully than they did last year, and to bring before the Committee witnesses who could give them evidence upon the subject. Mr. *Stansfeld.*

On Vote 10, Class 3.

Mr. JOHN S. LEWES, called in; and further Examined.

983. *Chairman.*] WHAT are you in the Colonial Office?—Accountant and Examiner.

984. You are prepared to give us some explanation with regard to excess at Gibraltar, are you not?—Yes; a despatch was addressed to the Governor of Gibraltar, calling for explanations of excesses in regard to the estimate, and a reply has been received which I will hand in if you wish me to do so. Your question refers, I believe, especially to the excess under Sub-head A, "Salaries." That may, perhaps, be partly explained by a variation in the mode of classifying the expenditure. The Estimates were prepared upon an obsolete form, and when they reached this country they had to be reclassified, and it is possible that expenditure has been put in the Appropriation Account under Sub-head A, which was provided for in the Estimate under Sub-head D for the victualling of officers and convicts. There was a saving under Sub-head D of about 1,000*l.*, and that may go *pro tanto* in diminution of the excess on Sub-head A, "Salaries." But the main cause of the excess was, first, that the amount asked from Parliament was not sufficient to provide for the expenditure which might have been anticipated; and, secondly, that the number of convicts to be maintained was largely increased during the year. On the 25th January 1868, the governor was told that the number of convicts to be maintained at Gibraltar should be reduced to 300, and he was called upon to furnish an Estimate based upon that number of convicts, and to say what reductions in the staff of officers should be made, consequent upon that diminution in the number of convicts. This second Estimate was sent in by him; the original Estimate had been already before Parliament, and it was too late to make a change in it, but in its progress through Parliament 2,000*l.* was struck off the Estimate in consideration of the number of convicts at Gibraltar being reduced; no account, however, appears to have been taken of the fact that the officers whose services would be dispensed with, would have to be paid, until a decision should be arrived at upon their case by the Home Government. Mr. *Lewes.*

985. Then in fact the Vote was reduced by Parliament below the original Estimate?—Yes, below the first Estimate that was sent home; it was reduced by 2,000*l.* The second Estimate did not arrive in time to be laid before Parliament, and 2,000*l.* was struck off the first Estimate, but besides that there was a considerable aug-

Mr. *Foster.* Mr. *Lewes.* 25 May 1870.

mentation in the number of convicts to be maintained at Gibraltar in the course of the year. That number was raised in the course of the year from 300 to 500.

986. Lord *F. Cavendish.*] What was the cause of that change?—It was done at the instance of the Home Office, and chiefly, as it appears, in consequence of the increased numbers of convicts in the English prisons. At the commencement of the year, it was thought that 300 would be the number to be maintained at Gibraltar; but later in the year the Director of Convict Prisons said that the experience of the year would show whether the convict prisons in England or the number of convicts at Gibraltar should be increased. Still later in the year the Home Office said that it was very desirable that the Governor of Gibraltar should have 500 convicts, and added that there was a great pressure at the time on the English convict prisons.

987. *Chairman.*] Have you any explanation to give to the Committee as to any other sub-head of the Vote?—There was a question raised in the Comptroller and Auditor General's Report on the Appropriation Account, under Sub-head S.

988. That is for incidental expenses?—Yes; it was in regard to the widow of an officer who had been in the convict service at Bermuda. I believe the Committee wished for some information in reference to that point.

989. What have you to say about that?—Bermuda used to appear in the Convict Estimates, but it has been omitted from those Estimates since 1864, the establishment having been broken up in 1863. This was a service the propriety of which was not disputed. The Colonial Office finding that it was covered by the sub-heads which formed Part 2 of the Estimates, felt no difficulty in paying it and charging it to the Vote; but the Comptroller and Auditor General's difficulty seems to be that he does not find Bermuda in the details which formed part 3 of the Estimate. The Colonial Office felt that it had to be guided by the sub-heads which appear in Part 2 of the Estimate; and though Bermuda does not appear in the details in Part 3, we consider that it was covered by the sub-heads in Part 2.

Mr. Charles Lister Ryan, called in; and Examined.

Mr. *Ryan.*

990. What have you to say upon that point?—Bermuda not being included in the Estimate, and expenditure having been incurred for it, we thought it right to point it out: we have not disallowed the sum. Whenever there is a variation between the sum voted by Parliament and the actual expenditure, we think it right to call attention to it, in order that Parliament may do what it thinks proper.

991. (To Mr. *Lewes.*) Can you give us any further information upon this Vote?—I am not aware exactly what further information you want.

992. Can you give any information with regard to Western Australia and Tasmania?—Yes, with regard to Sub-heads A. and P. The year 1868–9 is quite an anomalous year as regards those Estimates. The Estimates were framed upon an obsolete form of Estimate, and when they reached this country they had to be re-classified, and there was very great difficulty in re-classifying them; you will find that the several sub-heads are linked together with notes, saying this service is provided for under another sub-head and so forth. There was great difficulty in separating the items; I have spent hours in examining tradesmen's bills, to classify the expenditure properly. The excess that occurred in Western Australia under Sub-head P., is explained by the note appended, by the department, to the Appropriation Account as far as we could give an explanation of it. I may also call the attention of the Committee to the great excess there was in Exchequer extra receipts. There was a net deficiency on the whole vote of 6,734 *l.*, but the Exchequer extra receipts realised in the year nearly 12,000 *l.* more than was expected; so that on the gross charge to the country there was a saving really of 6,000 *l.* instead of the excess that appears. And it may be said that this excessive expenditure in Western Australia is counterbalanced by the fact that they made repayments for stores they had drawn out there. There has been great difficulty, as appears by a despatch from the colony, in framing the colonial requisition for stores, on account of the difficulty of ascertaining the prices at which the stores would have to be purchased in this country, and their Estimates have consequently been defective in that respect. They know that they will want certain stores, but they cannot tell what they will cost here, and therefore they are in a difficulty in framing the Estimate of what they will require under any particular sub-head.

On Vote 23, Class 3,

Mr. Joseph Bedder, called in; and Examined.

Mr. *Bedder.*

993. *Chairman.*] What office do you hold?—I am Chief Examiner in the Office of Works.

994. It is stated in a note to Sub-head Q., "This is part of the Vote for 1867–8, and was received from the Treasury previous to the 31st of March 1868, to enable the managers to pay certain accounts incurred in that year. These accounts would have been paid previous to the close of the financial year 1867–8, but owing to the delay in auditing the accounts at the Office of Works in London, they could not be paid until after the commencement of the year 1868–9"?—Yes.

995. Have you anything to say about that?—It arose from an inadvertence. The accounts came to us on the 14th of March; at that time we are under great pressure in getting the accounts ready for the end of the financial year, and it is always our practice to postpone what we call Miscellaneous Accounts till the close of the year, so that the vote accounts shall be passed. Unfortunately in the nomenclature of the office,

Mr. *Foster.*
Mr. *Ryan.*
Mr. *Bedder.*

25 May 1870.

office, the present account not being one of our own Vote services, has been called a miscellaneous account, which it really is not. I gave my directions to my examiners to postpone all miscellaneous accounts, and throw the whole power upon the Vote Accounts, in order that we might get them through before the end of the month. The result was that the account for the Scotch prisons, though it is a voted service, not, however, being our own account, was put aside until the close of the year.

996. Then, in point of fact, it was an irregularity?—It was an irregularity.

997. It will not occur again?—No, it will not occur again.

Mr. GEORGE PIGOTT, called in; and Examined.

Mr. *Pigott.*

998. *Chairman.*] ARE you from the Office of Chancery in Ireland?—Yes.

999. Are you prepared to explain the causes of the variations between the expenditure and the grant with respect to the Court of Chancery, Ireland?—I am not quite prepared to explain them.

1000. Then why did you come?—I am not prepared to explain the variation altogether.

1001. Are you prepared to explain any of it?—I cannot give an explanation of the causes of the variation between the expenditure and the grant.

1002. You are under the Accountant General?—I am under the Accountant General.

1003. Did you come here by written instructions from the Accountant General?—The Accountant General himself directed me to come.

1004. Personally?—Yes, personally.

1005. Did you see the letter which was addressed to him by the clerk to the Committee?—I did.

1006. But you are not prepared to give answers upon the points referred to in that letter?—I am prepared to give answers, but not upon the point about which you first asked me.

1007. Mr. *Stansfeld.*] Have you got with you the letter from the clerk to this Committee addressed to Mr. Starkey?—Yes, I have; this is the letter which came with the summons (*producing a letter*).

1008. "A summons has just been issued by the Committee of Public Accounts for your attendance on Wednesday next. I am directed to inform you that you must be prepared to give a detailed and complete explanation of every question raised by the Comptroller and Auditor General, in his report upon the appropriation account furnished by you as Accountant General to the Court of Chancery, Ireland, and to answer any questions which the Committee may think fit to put to you thereupon." You read that letter before coming?—I did.

1009. *Chairman.*] Have you read the report of the Comptroller and Auditor General upon the Vote of the Court of Chancery, Ireland?—I have. I have got it here in my hand.

1010. Have you considered the different questions raised in his report?—I have.

1011. Are you prepared to give any explanation upon any of the points?—The explanation of the causes of variation between expenditure and grant, I think, was given before.

1012. By whom?—By the Accountant General.

1013. Whom was it given to?—I am not aware.

1014. The report says: "No explanation of the causes of variation between expenditure and grant has been given"?—No explanation was given.

1015. Are you prepared to give it now?—I am not exactly prepared to give it. I can only say this, that it is impossible to estimate the amount that will be required every year for scrivenry for the different offices. It varies so much that it is impossible to make a correct estimate of it.

1016. What point are you prepared to give an explanation to the Committee upon?—I can obtain that information for you.

1017. We want some person here who will give an explanation?—Perhaps you will be kind enough to go on to the next matter on which you want explanation.

1018. Are you able to tell us how it happened that one of the clerks in the Taxing Office was omitted from the Estimate?—Yes; I can tell you that. It was fully explained in a letter to Mr. Blackwood, a copy of which I have got here. Here is Mr. Blackwood's original letter (*producing the same*). It says: "Query, No. 6. Taxing Office. Second clerk. Authority required for the second clerk." The answer is, "No new clerk in the office."

1019. There were two clerks there before; why was only one estimated for?—It was an error.

1020. Then with regard to the court-keeper in the Rolls Court, the 60 *l.* instead of 68 *l.* was an error?—I have a note here to the effect that the court-keeper of the Rolls has not been paid 68 *l.* The Auditor General states that the court-keeper of the Rolls has been paid 68 *l.*

1021. What has he been paid?—He has been paid 52 *l.* 10 *s.*

1022. Here is the letter from the Accountant General's Office, the 16th of May. It says this: "I find, on reference to the Paymaster General, that Mr. Supple received the sum of 52 *l.* 10 *s.* for the year 1868-9, which is the amount of salary he is entitled to as court-keeper of the Rolls Court. The court-keeper of the Court of Chancery, Mr. Osborne, receives a salary of 68 *l.* per annum, although, by an error, the sum of 60 *l.* was all that was provided by the Estimate of 1868-9." That is so; is it?—Yes, that is so; the two salaries together will amount to exactly 120 *l.*

1023. Mr. *Pollard-Urquhart.*] This discrepancy merely arose from a sort of confusion and error in making out the Estimate?—Yes; it was the first Estimate that we ever made out, and it was not so correctly done as it ought to have been.

1024. In short, the whole Estimate was a bungle?—No, not altogether; there were a good many errors in it.

1025. A good deal of it was a bungle?—No; there were three or four errors in it, but I think not more than that.

1026. *Chairman.*] Paragraph 7, of the Comptroller and Auditor General's Report, states, "Included under this sub-head are two special payments of 125 *l.* each to the two registrars for assisting in the preparation of the rules and tables of these rendered necessary by the Chancery Act, 1857." The Treasury letter authorising this expenditure to be made out of the Vote for

Mr. *Foster.*
Mr. *Ryan.*
Mr. *Pigott.*

25 May 1870.

for Incidental Expenses, directed that it should 'be shown as a separate item in the account of the application of that vote;'" that was not done; can you give any reason for that?—The letter from the Treasury directing the payment is in the Audit Office. It is dated the 8th of December 1868. As well as I can recollect, it directed it to be charged under Sub-head B, "Incidental Expenses." That letter could be referred to in the Audit Office, if necessary.

1027. Mr. *Stansfeld.*] That letter is recited in the Auditor General's Report; it directed that the expenditure in question should be shown as a separate item in the application of the vote; why was not that direction carried into effect?—Have you got a copy of that letter?

1028. I do not know that we have, but I think we may rely upon the Comptroller and Auditor General; do you dispute the accuracy of this statement of the Comptroller and Auditor General's?—No, certainly I do not.

1029. Why was not that direction carried into effect?—I suppose we did not understand it at the time, that is the fact; we were new at it.

1030. *Chairman.*] Paragraph No. 8 says that there were payments for scrivenry made in the year 1867-8 charged against the Vote 1868-9; what do you say to that?—By referring to my book, I find that these payments were apparently made on the 2nd and 3rd of April 1868. I think it must have been merely a mistake in the date; it does not affect the account or the balance at all. If the dates were altered to the 2nd and 3rd of April, it would be all right.

1031. What authority would you have for altering the date; which is the correct date, April or March?—The authority would be that it would make the dates correct; they are incorrect at present, and if they are altered they will be made correct.

1032. But the bills were paid, were they not, in March?—No, they were not.

1033. When were they paid?—They were paid on the 2nd and 3rd of April.

1034. They were actually paid in April?—Yes; the first was paid on the 2nd and the other on the 3rd of April; they were dated in March.

1035. Was the receipt dated in March?—Yes.

1036. And you say that it ought to have been dated in April?—Yes.

1037. Mr. *Pollard-Urquhart.*] You just forgot the day of the month; was that it?—I did not do it at all; the clerk who pays the incidental payments paid it; I had nothing to say to it.

1038. *Chairman.*] Paragraph No. 9 is "Extra payments to salaried clerks, amounting to 77 *l.* 8 *s.*, formed the subject of inquiries addressed by this department to the accountant, by whose answers it appears that they were made for making out the annual return, pursuant to Act 4 & 5 Will. 4, c. 78, s. 16, and sanctioned by the Lord Chancellor, and that they are 'customary allowances.' Attention was thereupon drawn to a Treasury Minute, dated 1st of November, 1853, which contains the following directions, namely, that in no case is extra salary or gratuity to be allowed to persons on the establishment of an office, without previous Treasury sanction," which it appears was not obtained in this case: what have you to say about that?—Before this new system was commenced, everyone was paid out of the Suitors' Fee Fund Account. All the salaries of the court were paid out of that account, and there were several extra payments to clerks for doing special duties, which were paid to them beside their salaries. They have been receiving these sums for a number of years. The Accountant General was not aware that the Treasury would not allow them any longer, and he paid them. The order was sent in to him by the head of the office in which the work was done, and he paid them until he got special directions from the Treasury to cease paying them.

1039. Mr. *Pollard-Urquhart.*] Has the Treasury authority been furnished since?—Yes; there is a Treasury authority furnished.

1040. At what time was the Treasury authority furnished for making these payments?—There were certain payments allowed.

1041. Mr. *Liddell.*] They have been disallowed since, as I understand?—Not those; there were certain special payments made that were disallowed by the Treasury. There was a sum for stationery, and also certain payments to the clerks for making out annual returns, which they did, I understand, after hours.

1042. Mr. *Pollard-Urquhart.*] And the Treasury refused to sanction these extra salaries and gratuities to the clerks?—Yes, but they had been paid at the time; they were paid before the Accountant General knew that they would not be allowed.

1043. *Chairman.*] He knows now that they will not be allowed?—I do not know how it will be if the Treasury do not allow those which are absolutely paid. How is the money to be refunded?

1044. I suppose "how it will be" will be this: that if they are not allowed, the person who made the payments without authority will be at the loss?—He had not at the time received a special authority not to pay them.

1045. But he had not received a special authority to pay them?—If a clerk had been in the habit, for several years, of receiving a sum of money for doing a certain service, would it not be a hard thing to stop it all at once without a special direction? If the Accountant General had received a special direction from the Treasury, he would have complied with it.

1046. Under paragraph 11, certain questions were put to the Accountant-General, to which no answers have been given; have you any reason to give why those queries were not replied to; those questions are these: "First, whether, and if so, what directions have been issued by the Treasury for carrying into effect these clauses of the 30 & 31 Vict. c. 44; second, what are the circumstances which are regarded as excluding the office of the custody of papers in lunacy from the provisions contained in the clauses referred to; third, whether any, and if so, what other officers besides the chief clerk of the above office are paid wholly or in part by fees?—Does that mean any other officer in the same office, that is, in the Lunacy Office, or does it mean any other officer in the Court of Chancery?

1047. I apprehend that it means any other officer in the Court of Chancery?—In that case, there are no officers paid by fees but this particular officer.

1048. You did not attend to my question: why was no answer sent to those questions; I was not asking you to give the answers now; if you read the paragraph, you will see that those questions were put to the Accountant General, which I have read to you, and then it is said, "No answers

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o these questions have been received;" why was no answer sent to those questions?—I really do not know; I am unable to answer that question.

1049. Can you give an answer now to them?—I can.

1050. What is the answer to the first?—I must refer you to Dr. Hancock's statement for that; this is it (*producing a letter*).

1051. Will you read it?—It is very long.

1052. Will you hand it in?—Certainly; and there are several pencil memoranda by the Lord Chancellor upon it. (*The same was handed in*, vide *Appendix*.)

1053. Does it answer all these three questions?—It answers the first two, but with regard to No. 3, "Whether any, and if so, what, other officers besides the chief clerk of the above office are paid wholly or in part by fees?" he answers that question, but he merely refers to that particular office.

1054. (To Mr. *Ryan*.) But I take it that that question referred to all the officers of the Court of Chancery?—Yes.

1055. Not to the officers in the Lunacy Office alone?—No, all the officers embraced by the Acts quoted. (Mr. *Pigott*.) There are no others paid by fees but that particular officer.

1056. Are there no others at all?—There are no others at all in the Court of Chancery, that I am aware of. (Mr. *Ryan*.) The object of the question was to get an exhaustive statement as to whether this payment by fee as well as salary applied to any other officer. (Mr. *Pigott*.) As I have stated, that is the only officer paid by fees.

1057. Is he the only officer who receives any fees at all?—He is the only officer who receives any fees at all, and there are no stamps received in the office either, the fees of the several offices being converted into stamp duties.

1058. Mr. Starkey is not well, I believe?—He is not well.

1059. Mr. *Seely*.] How soon do you think Mr. Starkey will be able to come here?—I really do not know; he has been in ill-health for the last month or two; he can furnish a medical certificate if the Committee require it.

1060. Mr. *Stansfeld*.] Does he attend to the duties of his office?—Yes.

1061. He is not confined to his house?—No.

1062. Mr. *Liddell*.] What office do you yourself hold in the office of the Court of Chancery?—I am one of the senior clerks in the Accountant General's Office.

1063. *Chairman* (to Mr. *Foster*).] Have you anything further to say upon the question as to who should account for the vote for the Court of Chancery in Ireland?—I think it would be desirable that the Accountant General should not only account for these votes, but also for all the money he has charge of. I consider it to be very desirable that the Accountants General of the Courts of Chancery should be Treasury officers, not only as regards the vote, but as regards all monies for which they are responsible; I think all public money ought to be in the charge of Treasury officers. Mr. *Foster*. Mr. *Ryan*. Mr. *Pigott*. 25 May 1870.

1064. Is the Accountant General appointed by the Lord Chancellor in Ireland?—No, by the Crown, see 23 & 24 Geo. 3, c. 22, s. 2.

1065. Under statute or by custom?—I am not aware.

1066. There is an Act of Parliament regulating the office of the Court of Chancery?—Yes.

1067. That is a recent Act, is it not?—Yes; I am not sure how far that recent Act touches the appointment of the Accountant General.

1068. Mr. *Sclater-Booth*.] How is it in regard to the English Court of Chancery?—The same rule applies there.

1069. You make the same recommendation with regard to it?—Yes.

1070. How do you propose to carry that recommendation into effect?—I would convert the office dealing with the funds under the Court of Chancery, into a similar department under the Treasury.

1071. It would be a very expensive thing to do, I presume?—I think it would lead to an enormous economy.

1072. But the Accountant General of the Court of Chancery is a very heavily salaried officer, is he not?—He gets a very large salary at present; it will be in the next instance cut down to 2,000 *l*. a year.

1073. You could hardly alter his position without giving him the option of retiring, could you?—No; but I think it would be a very cheap arrangement.

1074. *Chairman*.] Before you come again, will you refer to the Act of the 30 & 31 of Vict. c. 44, and see whether the appointment of the Accountant General is regulated by that Act?—Yes.

1075. And also see whether any legislation will be required to make the alteration you suggest?—Yes.

Friday, 27th May 1870.

MEMBERS PRESENT:

Mr. Candlish.	Mr. Pollard-Urquhart.
Lord Frederick Cavendish.	Mr. Sclater-Booth.
Mr. Ward Hunt.	Mr. Seely.
Mr. Liddell.	Mr. Stansfeld.

THE RIGHT HONOURABLE GEORGE WARD HUNT, IN THE CHAIR.

Sir WILLIAM DUNBAR, Bart., Mr. MORGAN HUGH FOSTER, C.B., Mr. HENRY COLE, C.B., Mr. NORMAN MCLEOD, Mr. CHARLES VINE, Mr. CHARLES LISTER RYAN, Mr. ANTHONY L. SIMKINS, and Mr. WALTER C. COCKS, called in; and Examined.

ON VOTE 9.

Sir *W. Dunbar.* Mr. *Foster.* Mr. *Cole.* Mr. *McLeod.* Mr. *Vine.* Mr. *Ryan.* Mr. *Simkins.* Mr. *Cocks.*

27 May 1870.

1076. *Chairman* (to Mr. *Ryan*).] IN the second paragraph in your Report upon Vote 9, Class 4, Science and Art Department, there appears the following remark: "From the manner in which the account has been rendered it has been found impracticable to ascertain the correctness as to classification of the expenditure charged under the several sub-heads of the grant; and consequently there has been no alternative but to accept the classification as shown in the account;" that is a general observation upon the classification of the expenditure. Will you point out the defect in the way in which the account has been rendered which called for that remark?—I am afraid that to do that accurately would require the Committee to go into a very voluminous examination of the details of the account. The account was so confusedly rendered that there was no time between the 30th of November, when the account was transmitted to the Exchequer and Audit Department, and the time when it was necessary, by Act of Parliament, that the Report should be made to the Treasury, for us to go through all the items, and to check the classification so as to ensure accuracy. We were, therefore, obliged to accept the classification that the accountant has made, and to put a general remark to that effect in the Report.

1077. (To Mr. *Vine*.) Did you give any assistance to the Science and Art Department, with regard to the preparation of their account?—No, they already had books in the department. There was an accountant and book-keeper, and an assistant book-keeper in the department. I found, upon an inspection of the accounts, that I should not be able to prepare a statement of the balance on the night of the 31st of March 1868, I therefore did not think it right to postpone the other votes, and in June 1869 Mr. Foster and myself made a report to the Treasury. If you will allow me, I will read an extract from that Report.

1078. Will you do so?—"Previous to the 31st March last we had the honour to report to your Lordships the savings and deficiencies on the larger portion of the Civil Service Votes to the 31st of March 1868. Before that date we had made such an inspection of the books of the Science and Art Department as satisfied us that they did not afford the means of arriving at a correct balance on that vote. In order not to delay the settlement of the larger portion of the Civil Service Votes, we postponed our investigation. We have now resumed our labours, and find our first impression fully confirmed. From the commencement of the service no comparison has been made between the books of the department and those of the Paymaster General. In the first instance, no returns were furnished by the Paymaster General; subsequently, when furnished by that officer, they were not compared with the books of the Science and Art Department, and moreover, did not contain the whole of the payments chargeable to the vote, but only such portion as had been authorised by the Science and Art Department. No separate accounts are opened in the ledgers under the heads of the 'Exchequer,' 'Paymaster General,' and 'Orders Payable,' but only one general account of the Exchequer, into which all the others have been merged. Under these circumstances, your Lordships will readily perceive that the result arrived at from the books of the Science and Art Department cannot be relied upon." The books of the Science and Art Department show on the night of the 31st of March, a balance on the account of the unappropriated grant, that is a saving on the vote, of 69,935 *l.* 17 *s.* 1½ *d.*, whereas the real saving upon the vote, not taking into consideration any of the questions raised by the Controller and Auditor General was only 19,302 *l.* 5 *s.* The amount in the Exchequer and in the hands of the Paymaster General was, according to the books of the Science and Art Department, 66,199 *l.* 2 *s.* 8½ *d.*, whereas there was only a balance in the hands of the Paymaster General of 34,087 *l.* 14 *s.* 7 *d.* To arrive at this result, we have been obliged to go through the accounts of the Science and Art Department, and recast them from the year 1853–4. That was a very laborious thing to do, but we accomplished it, and on the 22nd of December last we reported to the Treasury that we had done so, and submitted the results.

1079. Will you read that Report to the Treasury?—"We reported to your Lordships on the 30th

30th of June last, that before we could ascertain the correct balance on the 31st March 1868, to be surrendered in respect of the vote for Science and Art, it would be necessary to recast the accounts from the year 1853–4. This task has been accomplished, and a comparison has been made from that date between the books of Science and Art and those of the Paymaster General. We have now the honour to submit the result of our labours, as shown in the following statements: A.—A statement of the liabilities and assets of the Science and Art Department on the 31st March 1868. B.—A statement accounting for the difference between the balances recorded in the books of Science and Art under the heads of 'Unappropriated Grant,' 'Exchequer,' and 'Paymaster General,' certain other explanatory statements, and also a list of imprests to sub-accountants, were enclosed. A considerable portion of the discrepancies now ascertained to exist in the books of the Science and Art Department has arisen from the omission to make a periodical comparison of the orders issued by the department with the actual payments made by the Paymaster General; in making the comparison, however, between the two accounts, some points have been brought under our notice, to which we feel it our duty to call your Lordships' attention; 1. Receipts and payments to the extent of over 3,000*l.*, on account of the Royal School of Naval Architecture, have been altogether omitted from the record in the books of Science and Art, and the balances also in the accountant's hands of 245*l.* 16*s.* 10*d.* on 31st March 1866, increased to 506*l.* 19*s.* 2*d.* on 31st December 1866, remained unrecorded in the books until the 14th July 1868; this delay in the record would appear to us to require explanation. Then there is another point with respect to 'Imprests'; 2. Imprests to the extent of 1,639*l.* appear in Statement A., to be outstanding on the 31st March 1868; we have been furnished with a list N. 5, and your Lordships will observe that some of these imprests were made as far back as the year 1863, and many in the years 1865 and 1866, and that the settlement in respect thereof has in no case been made earlier than May 1868, and that several remained unadjusted on the 3rd December 1869; we think that some explanation of the delay in the adjustment of these advances should be called for."

1080. What is the date of that Report to the Treasury?—The 22nd of December.

1081. Last December?—Yes, December of 1869.

1082. Are you able to say whether the department were called upon to give explanations accordingly?—A copy of this Report was transmitted to the Comptroller and Auditor General, and a copy of the Report, together, I believe, with the reply of the Comptroller and Auditor General, was transmitted to the Science and Art Department.

1083. When?—In March last; and up to this morning no reply has been received at the Treasury.

1084. (To Mr. *Cole.*) You have heard the Report read; what was the answer to it?—I think specific answers have been sent to the Treasury to day to the Report of the Commission of Public Accounts.

1085. You say that the answer has gone?—Yes, it went this morning.

1086. Is it at the Treasury now?—Yes.

1087. Then it is desirable that we should see the letter; have you got a copy of it?—Yes; there was a covering letter signed by Mr. Foster this morning, transmitting the report of the Accountant upon this statement.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Cole.*
Mr. *McLeod.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Simkins.*
Mr. *Cocks.*

27 May 1870.

1088. What I understand is this, that after the receipt of that Report of the Commission of Public Accounts which was sent to you by the Treasury, you addressed an answer to the Treasury, which answer went this morning?—Yes.

1089. (To Mr. *McLeod.*) I presume you have a copy of the answer?—Yes; the letter signed by Mr. Foster was merely a covering letter, and this is a copy of the answer.

1090. This is substantially the answer?—That is substantially the answer.

1091. Will you read it?—I will first read the Treasury letter: "I am commanded by the Lords Commissioners of Her Majesty's Treasury to transmit to you, for the information of the Lords of the Committee of Privy Council on Education, a copy of the following correspondence, viz., of a Report, dated 22nd February, of the Comptroller and Auditor General, and of its enclosure, relative to the accounts of the Science and Art Department, together with an extract from a Report, dated 22nd December 1869, of the Public Accounts Commissioners, and a copy of the enclosures of that Report; I am to request that their Lordships may be furnished with any remarks which the Lords of the Committee of Privy Council on Education may wish to offer on the subject;" that is dated the 12th of April 1870, so you see that it is April, not March.

1092. Mr. *Liddell* (to Mr. *Foster*).] Will you tell the Committee, as this is a new phrase, the exact meaning of "the Commission of Public Accounts?"—In consequence of the Exchequer and Audit Departments Act which required Appropriation Accounts to be kept by every public department, it was necessary to appoint officers to establish forms of account, and to instruct the different departments how to keep them, for in most public departments no accounts whatever had been kept; we had therefore to deal with, I suppose, nearly 100 departments, who would have to render Appropriation Accounts under this Act, and the Treasury appointed myself and Mr. Vine to be the Public Accounts Commissioners, to carry out the new Appropriation Accounts which were required under that Act.

1093. *Chairman.*] That is now a standing Commission, is it not?—It is now a standing Commission, and there is very much still to do in order to keep the accountants up to the mark in keeping their accounts in correct form, to answer inquiries, and to give explanations. The officers charged with rendering these accounts were unacquainted with the mode of keeping accounts.

1094. You said that some departments kept no accounts; you meant, I think, that they kept no accounts in the technical sense, did you not?—I think some departments kept no accounts whatever. They issued directions to pay, and those directions were sent to the Paymaster General; but many of them did not keep anything that could be called an account.

1095. Mr. *Liddell.*] I presume that when the new machinery is complete, the necessity for the existence of this Public Accounts Commission will

Sir *W. Dunbar.*
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27 May 1870.

will cease?—In time it may cease; but I think it will be some years before the departments are brought into full training. (Mr. *Cole.*) Before this statement is put in, which is said to be the statement of the Accountant of the Science and Art Department, I wish to state that during the last year, I have been appointed the accountant; responsibility for the accounts was added to my other duties, practically the account keeping of the department has never been under the secretary at all. The accounts for several years were under the accountant of the Board of Trade; and the accountant of the Board of Trade laid down the form of the books which were to be kept. When the department was transferred from the Board of Trade to the Education Office, an accountant proper was appointed, who is at present called the accountant, though I too am called the accountant.

1096. *Chairman.*] The Treasury made you the accountant under the Exchequer and Audit Act?—Yes.

1097. But you have in your department a subordinate officer who is what you in your department call the accountant?—Yes; and he has been so for several years. I may say that I have not yet become sufficiently acquainted with the new system that has been established to be able to hold myself personally very responsible for it; and therefore I would ask the Committee rather to receive the answers of the assistant secretary, who has always looked after the accounts, who has always certified the accounts, and the gentleman who has always been called the accountant; and to accept the fact that the correspondence with the Treasury has always been with the vice-president, and not with the secretary of the department, or the Director of the Kensington Museum. I have no doubt that we shall work into a right system, and without casting off any responsibility from myself I only desire to make it clear that personally I really have had very little to do with the matter of the accounts until lately; I have not had time to make myself master of all the details, and if I am to be held responsible I hope that many improvements will take place.

1098. *Chairman* (to Mr. *McLeod*).] Will you continue reading the statement on behalf of the Science and Art Department?—This is the reply which went in to the Treasury to-day to the various queries:—"First, as respects the discrepancies between the books of the Science and Art Department and those at the Pay Office, I beg to state that no comparison of the orders issued by the Science and Art Department with the actual payments made by the Paymaster General was made while the accounts were rendered under the supervision of the Board of Trade. When the department was transferred to the Board of Education in 1857, the first effort of the present accountant upon his appointment was, to try and compare the balance to be surrendered at that period, as shown by the books of the department with those at the Pay Office. Mr. Williams, the book-keeper, spent two days at the Paymaster General's office, comparing the books, when it was found impossible to ascertain the discrepancies without checking each item from the commencement in 1853; to this objections were raised at the Pay Office, and the examination was then given up. With respect to paragraph No. 1, relative to certain receipts and payments on account of the Royal School of Naval Architecture, the transactions referred to were omitted from the accounts of the department by the express directions of the Commissioners for auditing the Public Accounts (see extract from letter, dated 3rd October 1865, herewith, marked A.); and as regards the delay in recording or paying over the balance, the delay arose owing to a misunderstanding between the Admiralty and the department, the Admiralty having applied the fees received from private students, which were introduced into the Imprest Account, to the payment of Dr. Woolley's remuneration, which the department considered should have been paid out of the sum voted for "professional assistance," and not out of "fees;" the accountant was therefore directed not to pay over any balance until further action had been taken. The balance in the accountant's hands on the 31st of March 1866, was 245 *l.* 16 *s.* 10 *d.*, and that in the hands of the Paymaster General 261 *l.* 2 *s.* 10 *d.*, making together, 506 *l.* 19 *s.* 8 *d.* The accountant advanced, on behalf of the Admiralty during the month of April, out of the balance in his hands on the 31st March, the sum of 195 *l.* 7 *s.* 11 *d.* in payment of wages and subsistence allowance of dockyard pupils, thus reducing the balance on the 30th April to 50 *l.* 8 *s.* 11 *d.*, and subsequently in May, June, and July he paid further sums to the principal of the school, and other teachers, amounting to 127 *l.*, consequently no funds whatever belonging to the Admiralty remained in his hands on the 31st December 1866; on the contrary the Admiralty were considerably indebted to the department for advances at that date in respect of wages, &c. of Admiralty students. Of the imprest outstanding on the 31st March 1868, only one imprest (25 *l.*) was issued so far back as 1863, and that was granted to Mr. Wylde, one of the inspectors, who omitted to render an account of his disbursements previous to his going over to Paris as secretary to the Executive Commissioners of the Exhibition of 1867; the whole of the imprests in question, with the exception of 12, amounting to 182 *l.*, were adjusted after the close of the Paris Exhibition; the remainder have since been closed; these advances were made on account of travelling expenses to and from Paris and London, and as it was doubtful whether these expenses should not be charged to the vote for the Paris Exhibition, some of the accounts were kept open till the following year. Separate accounts for each Imprest Accountant have now been opened in the ledger, as suggested in the Commisioners' Report. With respect to the three receivable orders, one order for 4 *l.* 2 *s.* 6 *d.* was for 'Examples' supplied to the Council on Education. This amount does not appear to have been paid to the Paymaster General; and as so long a time has now elapsed since the transaction took place, it is proposed to deduct that sum from the amount to be surrendered for the year 1868. Another, for 123 *l.* 9 *s.* 5 *d.*, refers to negatives and examples supplied to Messrs. Chapman & Hall, the agents of the department; 70 *l.* 2 *s.* 3 *d.* of this sum was charged to the agents for negatives belonging to the department, then in their possession, but which negatives they afterwards returned into stores, leaving a balance of 53 *l.* 7 *s.* 2 *d.* only due to the department. This amount has since been paid to the Paymaster General by Messrs. Chapman & Hall. The third order, for 19 *l.* 1 *s.* 11 *d.*, is the amount that was received for admissions to the museum and libraries, sale of catalogues, &c., for the period from the 21st to the 31st October

October 1866; this amount, in some unaccountable way, does not appear to have reached the Paymaster General. It was not the practice at the Pay Office at that period to give receipts upon payment of money into that office; consequently, it is now impossible to say to whom the remittance was intrusted. However, as the accountant is responsible for the loss, he will make good the amount by paying it into the Bank of England." That is the statement which went into the Treasury to-day, with a covering letter signed by Mr. Foster, and that is the explanation of the various questions that were raised by the Commissioners of Public Accounts, as read by Mr. Vine to the Committee a few minutes ago.

1099. (To Mr. *Vine.*) Have you followed the explanation with your Report?—I have; but I would suggest that the Comptroller and Auditor General should be called upon to state his views with regard to the clearance of the imprests which were outstanding on the night of the 31st of March 1868.

1100. What sum did you say was outstanding under the head of "Imprests"?—£. 1,639, on the night of the 31st March, and several of these imprests had been made years before; one in the year 1863, and others in the years 1865 and 1866.

1101. (To Mr. *Ryan.*) Have you anything to observe upon that?—Only this, that a considerable portion of these imprests have been cleared, but that the accounts of February 1870, which are the last that we have in the office, show that there are still several amounts of uncleared imprests, of which I have a statement here.

1102. Will you hand it in?—I will. (*The same was handed in.*)

1103. I see that in the statement of imprests which you have just handed in, of January 1870, there are mentioned four imprests to Mr. Cappe, amounting together to 380 *l.*, and imprests to a great many persons for travelling expenses, amounting in the whole to 120 *l.*; and there are remarks in that paper stating that those imprests were still unaccounted for?—They were unaccounted for up to the date of February, which was the last date of the accounts received at the Exchequer and Audit Department.

1104. (To Mr. *McLeod.*) Can you give any account of the reason why those imprests are still uncleared?—They were uncleared in February, and I beg to state, frankly, to the Committee that I think it was to be regretted that many of these imprests were allowed to remain so long unadjusted. I think in several instances, they might have been adjusted sooner. There were small sums either to be paid to the parties who had the imprests, or to be paid by the parties who held the imprests, in the shape of balances either way. They were allowed to go over from time to time unnecessarily, but they have now been adjusted.

1105. The whole of these mentioned in this paper?—Yes, with the exception of the imprests to Mr. Cappe. Mr. Cappe is the agent of the department, and he was also agent for the Paris Commissioners, and there has been some little difficulty in dividing the charges made in his accounts, but the whole of those accounts have now been received. I speak with this reservation, until the accountant comes, that I am not quite sure whether his account has now been adjusted or not; but, I believe, within the last day or two it has.

1106. You mean Mr. Cappe's account?—Yes.

1107. Then will those accounts of these disbursements by these imprest accountants be sent to the Audit Office?—Yes, they will be sent to the Audit Office; we send our accounts monthly to the Audit Office, and the adjustment of these accounts will appear in the month in which they have been adjusted.

1108. *Chairman* (to Mr. *Cole*).] Referring to the appropriation under head B., there is a very large deficiency under the third sub-head of that Head B., amounting to 3,142 *l.* 4 *s.* 7 *d.* Is there any explanation to be given why the expenditure under that sub-head was so largely in excess of the estimate?—The explanation is that the demands from the schools of art for payments on results were much in excess of what the estimate provided for. That head had been reduced. It was at first proposed to be larger than was actually voted, and it was found by experience that more money was required, and that the schools had a right to demand more than we had money voted to pay them with.

1109. Are the payments to managers of schools by results?—Yes, to managers of schools of art. The payments on results are earned by the students, and the payments are made to the managers of the schools.

1110. On the results?—Yes.

1111. Mr. *Liddell.*] With regard to Sub-head B. 2, "Naval Architecture Salaries," there is a deficiency of 944 *l.* 10 *s.* 2 *d.*; can you explain that?—That is not a real deficiency; the Admiralty were more in our debt than that. The system is that the Admiralty takes a vote on behalf of its students, and acts as it were *in loco parentis* for its students, and the Science and Art Department is the contractor for teaching these students. I am sorry to say that the Admiralty were allowed not to pay up as quickly as they ought to have done, and hence there is an apparent deficiency; but, in truth, it is only a matter of account.

1112. *Chairman.*] That was explained, I think, in the paper which is before us?—Yes, I think so. It is not that there was a real deficiency; on the contrary, in the balance of the account there was really a saving.

1113. Mr. *Liddell* (to Mr. *Simkins*).] Am I right in imagining that there was a complaint made by the Commissioners of Public Accounts, that it had been the practice of the Science and Art Department to exclude from their books altogether, the arrears of the fees of those students in naval architecture?—They were excluded by the express direction of a letter from the Exchequer and Audit Department. This is an extract from that letter; it is dated the 3rd of October 1865: "The attention of the Commissioners for auditing the Public Accounts has been called to certain unvouched items of expenditure in the account of the Science and Art Department, the vouchers for which have, it is stated, been transmitted to the Admiralty. The expenditure in question relates to the School of Naval Architecture, and it appears that while the vote to which the expenditure is charged is taken on the Navy Estimates, the conduct of the Service is entrusted to the Science and Art Department, which is supplied with the necessary funds by means of imprests from the Admiralty. In respect, therefore, of the

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Cole.*
Mr. *McLeod.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Simkins.*
Mr. *Cocks.*

27 May 1870.

sums so imprested from naval votes, the Science and Art Department are obviously accountable, not to this Board, but to the Admiralty. The vouchers, moreover, are clearly due to the Admiralty, and the final expenditure which the Admiralty, after an examination of the accounts and vouchers, may admit to be properly chargeable to the imprests, will of course be taken credit for in the account which the Admiralty submit annually to Parliament of the appropriation of Naval Votes. Under these circumstances it appears to the Commissioners that the transactions in respect of the application of these Admiralty imprests, form no part of the account of the Science and Art Department with this Board, and it is therefore requested that they may be in future omitted from the account."

1114. (To Mr. *Ryan.*) These vouchers are duly received, I presume, from the Admiralty, in accordance with the wish expressed by the Audit Department?—That direction was given by the Commissioners of Audit in 1865, prior to the introduction of the new system. The direction went only to the effect that those vouchers should not be transmitted to the Board of Audit; it did not require the accountant to exclude them from his books. That direction, however, does not relate to the Appropriation Account; it was given many years ago. (Mr. *Cole.*) As I understand, there has always been a running account with the Admiralty, just as there might be with a gentleman sending his son to Eton; and sometimes, in fact almost invariably, the Admiralty has been in debt to the department; it would be a much simpler way, of course, to take the whole vote under the School of Naval Architecture. This crossing between the two departments leads to some of these difficulties. (Mr. *McLeod.*) At page 205, in the Report of the Comptroller and Auditor General, you will observe the way in which the Comptroller and Auditor General proposes that this vote should be dealt with in future. He says, at paragraph 5, "The amounts of the grant and expenditure are both incorrectly shown in the account; they should have been stated as follows;" and then a form is given. Our department will now, in accordance with the wish of the Comptroller and Auditor General deal with this vote in that way. (Mr. *Cole.*) But I venture to submit that it would be far simpler for the whole vote to be taken upon our Estimates.

1115. *Chairman* (to Mr. *McLeod*).] You mean that the grant is over-stated, according to the Report of the Comptroller and Auditor General?—The grant is over-stated, because we took the 650 *l.* which was payable by the Admiralty, and added it to the grant.

1116. Mr. *Liddell.*] And that was complained of by the Comptroller and Auditor General, was it not?—Yes.

1117. *Chairman.*] Your grant ought to have been stated without the addition of the sum which you claim from the Admiralty?—Yes.

1118. Mr. *Pollard-Urquhart* (to Sir *W. Dunbar*).] That should have been entered as an extra receipt, should it not?—Yes; they supplemented the vote by adding to it the 650 *l.* from the Admiralty instead of paying it over to the Exchequer.

1119. *Chairman.*] It was provided for in the Navy Estimates?—Yes.

1120. (To Mr. *Ryan.*) In fact the grant was divided into two parts, one under the Science and Art Department, and the other upon the Navy Estimates?—Yes.

1121. Mr. *Liddell* (to Sir *W. Dunbar*).] But in strictness that amount ought to have been surrendered, I presume?—It ought to have been surrendered.

1122. Mr. *Pollard-Urquhart* (to Mr. *Cole*).] Should not part of this expenditure have been charged against the Vote in the Navy Estimates?—It was charged so. Of course Parliament voted it to the Admiralty; and the Admiralty professed to be going to pay it to the Science and Art Department; it is now said that it should have been treated as an extra receipt, and therefore paid into the Exchequer. In point of fact we were kept by that means destitute of the payment.

1123. *Chairman* (to Mr. *Ryan*).] In the Navy Account is this entered as a saving?—I have not the Navy Account before me, and I am not aware whether the Admiralty spent the 650 *l.* or not, without referring to their account. (Mr. *McLeod.*) They paid it to us; we received it.

1124. *Chairman* (to Mr. *Ryan*).] It was the duty of the Admiralty to pay over that 650 *l.* to the Science and Art Department?—Yes.

1125. If they have not paid it over it ought to be entered as a saving in their account, ought it not?—Yes, if they have not paid it over.

1126. So that if the Science and Art Department have not received this 650 *l.*, it is a saving upon the Navy Vote?—Yes.

1127. Mr. *Pollard-Urquhart* (to Mr. *McLeod*).] But as I understand this Report the Science and Art Department have received it, have they not?—Yes, we have received it.

1128. *Chairman* (to Mr. *Simkins*).] Not within the year?—Yes, within the year.

1129. (To Mr. *Ryan.*) You do not say that it ought to have been surrendered to the Exchequer, do you?—We say that the Science and Art Department have no business to add to their grant anything beyond that which Parliament gave them for the service.

1130. But they have a right to spend on behalf of the Admiralty that which was taken on the Navy Votes?—Yes; but the account of that expenditure should have been rendered to the Admiralty, and included in their account.

1131. It was not a case for a surrender, was it?—Not unless the money was not spent.

1132. But the mistake is in the account?—It ought not to have been introduced into this account. If the Science and Art Department acted as sub-accountants to the Admiralty for this service, they should have rendered their account to the Admiralty, who should have entered the expenditure in their Navy Account.

1133. Still if they had spent it on behalf of the Admiralty, and had sent in their account to the Admiralty, and the Admiralty had accounted for it, there would have been nothing to have surrendered?—Just so.

1134. (To Mr. *Cole.*) Under Sub-head C., No. 8, "Fuel and Light," there is an excess of 1,256 *l.* 14 *s.*; what have you to say upon that?—First, that the consumption of gas was greater that year than was expected; and secondly, that a bill of the gas company came in just towards the end of the year, which, according to custom, would have been paid in the next year, and therefore the payment of it increased the expenditure for gas in that year.

1135. Do you mean that you paid two years' gas

gas bills in one year?—The gas bill comes in more or less capriciously, and in this case it came a little earlier, and was paid earlier than it would have been in the usual course.

1136. How about the gas bill for the previous year?—There was more paid for gas this year (1868-9) than has been paid on the average in other years for gas.

1137. You say that the actual expenditure was more than the estimate; was there any reason for that in addition to the gas bill coming in at an unusual time?—The cost for gas was rather heavier that year; the cost for fittings was rather heavier, and a larger bill was paid for gas that year, owing to the account coming in at the time it did.

1138. We understand that you brought under the charge of that year that which would ordinarily have come into the charge of the next year?—Yes.

1139. And, in addition to that, was there any reason for the increased expenditure?—There was some addition to the fittings, but that would have been a very trifling addition to the expense if that second gas bill had not been paid.

1140. Did you not save something on the consumption of coals in consequence of the mildness of the winter?—I do not tax my memory with the facts.

1141. Because in the British Museum they spent less than their estimate in that year on fuel and light, and they give as the reason, because it was a mild winter, and there was consequently a decreased consumption of coals?—I am afraid that the tendency of the Kensington Museum, almost by its very nature, is to go on increasing its expenses; the premises increase; the boilers making the hot water in the pipes increase. I am unable to make any remark about the fuel for that year, but I prognosticate that if the Kensington Museum goes on living, it must increase its expenses for fuel.

1142. If the British Museum could save 20 per cent. on fuel and light, do you not think that the South Kensington Museum might have saved something in that year?—No; I think the circumstances are quite different. The British Museum is a fixed quantity, whereas Kensington Museum is an increasing quantity every year.

1143. Mr. *Liddell.*] It is taking a high rank as a spending department?—I am afraid it is inevitable if it is to exist.

1144. *Chairman* (to Mr. *Cole*).] On Subhead D., "National Portrait Exhibition," the Report of the Comptroller and Auditor General is this: "There having been no grant for this service, the expenditure in respect thereof is not properly chargeable to the Vote. It appears by the remark on the account, under letter D., that the intention was, that the expenditure for the Portrait Exhibition should be defrayed out of the fees to be received. Under this arrangement, the fees, &c. received in the year, amounting to 2,510 *l.* 6 *s.* 11 *d.*, after deducting a recovery of 50 *l.*, in respect of an over-payment in 1867-8, should have been applied to the expenses of the exhibition, which amounted to 2,524 *l.* 12 *s.* 1 *d.*, leaving an excess of expenditure of 14 *l.* 5 *s.* 2 *d.* unprovided for. While the above sum of 2,510 *l.* 6 *s.* 11 *d.* has not been applied to the expenses of the Exhibition, on the other hand it does not appear from the accounts rendered to this department that that sum, though stated in Note D. on the account 'as an extra Exchequer receipt,' has been paid over to Her Majesty's Exchequer." What have you to say upon that?—Our explanation, as sent to the Treasury, was, "The National Portrait Exhibition was open for three years. It was intended to be as far as possible self-supporting. The entrance fees, with the vote of 3,000 *l.* taken in 1866-7, were expected to pay the cost. *See* Notes (C.) appended to Estimates, Class 4, for the year 1866-7 and 1867-8. Consequently it is submitted that this account should not be treated as an Appropriation Account. The 50 *l.* referred to in paragraph No. 7, was not a recovery in respect of an over-payment, but a repayment of a sum advanced in the previous year for carriage." The accounts for the National Portrait Exhibition, in fact, were not brought to a close until last year, and the account was considered a running account, until all the liabilities had been settled, obtained, and the whole matter paid off. Practically, I believe, there has been an excess of about 1,800 *l.* over the fees, and the 3,000 *l.* voted. The greater part of that is accounted for by the expenditure necessary for preparing the buildings.

1145. (To Mr. *Simkins.*) The point of this observation is this, that you charge the expenditure against the vote, and that though you state the amount of fees you have not paid the fees over to the Exchequer?—The fees were applied towards the payment of the expenses of the Exhibition, and were introduced into the cash account.

1146. (To Sir *William Dunbar.*) What have you to say to that?—They appear to have paid the expenses of this National Portrait Gallery out of public money, for which no vote was taken. (Mr. *Cole.*) The vote of 3,000 *l.* was taken at the beginning. (Sir *William Dunbar.*) But that does not come into this account.

1147. Mr. *Pollard-Urquhart.*] At the beginning of what?—The first year of the Exhibition.

1148. *Chairman* (to Mr. *Simkins*).] But there was no grant for 1868-9, and yet the expenditure is entered in the Appropriation Account as a sum properly chargeable against the vote?—We have since included this expenditure in the amount to be surrendered. (Sir *William Dunbar.*) But still this stands as a charge upon the account against the vote. (Mr. *Simkins.*) It will be surrendered to the Exchequer.

1149. Mr. *Pollard-Urquhart.*] And all the other extra receipts?—They have all been paid over.

1150. *Chairman* (to Sir *William Dunbar*).] Your view is that it ought to have been excluded from the account altogether?—It ought not to have been included in the account. (Mr. *Cole.*) If another Portrait Exhibition should take place, being informed as to the proper mode of keeping the accounts, I hope we shall give them with strict accuracy, but broadly speaking, I believe that the first vote of 3,000 *l.* and the fees have been appropriated to the payments for the National Portrait Exhibition. The fees have sufficed, and the whole thing has been covered with the exception of a balance of 1,800 *l.* As far as I understand the point, it is that the account has been mis-stated. (Sir *William Dunbar.*) The account has been mis-stated; they have no vote, and they have charged it as if they had a vote. (Mr. *Cole.*) That is to say, we have applied the fees to meet the payments. (Sir *William Dunbar.*) They have included in the account of public moneys voted for other purposes,

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Cole.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Simkins.*
Mr. *Cocks.*

27 May 1870.

poses, a sum of 2,500 *l.*, which ought not to be charged against that vote.

1151. *Chairman* (to Mr. *Cole*).] Inasmuch as no provision was made for the service in the Estimate?—Not for that year.

1152. But you intended that the Exhibition should be self-supporting?—Yes.

1153. You took fees almost sufficient to make it self-supporting that year, with the addition of a few pounds, and it ought to have been treated as an entirely separate matter from that account; do you assent to that?—Yes. (Sir *William Dunbar.*) While they made it a charge against the public they did not surrender the fees. (Mr. *Simkins.*) It is now included in the amount to be surrendered.

1154. *Chairman* (to Mr. *Cole*).] You surrendered the fees when you were brought to book?—No; as far as I can see, we have not surrendered the fees at all as a broad account. We had 3,000 *l.* from Parliament to start the business. We then applied the fees successively during the three years, and the whole account being balanced last year, left a deficiency of about 1,800 *l.* as the totality. I understand that our mode of account keeping has been altogether wrong; but, as a fact, the National Portrait Exhibition, with a vote from Parliament of 3,000 *l.*, was self-supporting over a period of three years, minus 1,800 *l.*

1155. (To Mr. *Simkins.*) There is a statement at the bottom of the account, "Estimated Amount of Extra Receipts payable to the Exchequer, 9,008 *l.* 15 *s.* 6 *d.*; Amount of Extra Receipts realised in the year 1867-8, and paid over to the Exchequer, 1,587 *l.* 10 *s.* 8 *d.*" Has that 9,008 *l.* 15 *s.* 6 *d.* been paid over to the Exchequer?—£.5,633 *l.* 7 *s.* 6 *d.* has been paid over to the Exchequer.

1156. Is that exclusive of those fees from the National Portrait Exhibition?—Yes; exclusive of fees from the National Portrait Exhibition.

1157. Then did this extra amount of fees payable to the Exchequer include the fees for the National Portrait Exhibition?—Yes.

1158. Then you paid 5,000 *l.* to the Exchequer, in addition to what you paid under the head of fees?—Out of the 9,000 *l.* we have paid 5,633 *l.* 7 *s.* 6 *d.* Then the fees for the Portrait Exhibition, amounting to 2,560 *l.*, would have made up the 9,000 *l.*

1159. I do not think those two figures added together will make 9,000 *l.*?—The amount of fees was 2,560 *l.* 6 *s.* 11 *d.*, and I see that the other amount paid over to the Exchequer was 6,448 *l.*

1160. That is a larger sum than you gave me before?—Yes, I was looking at the wrong memorandum before. We are to surrender, independent of that, into the Exchequer the amount that we charged to the National Portrait Exhibition Account.

1161. Mr. *Pollard-Urquhart* (to Sir *William Dunbar*).] You state in paragraph 8 of your Report that sum in Note D., stated on the account as an extra receipt, has been paid over to Her Majesty's Exchequer. It is stated at the foot of the account that the amount of exta receipts payable to the Exchequer was 9,008 *l.* 15 *s.* 6 *d.* Do you mean by your observations in paragraph 8, that the amount of 2,510 *l.* 6 *s.* 11 *d.* was not included in this amount of 9,008 *l.* 15 *s.* 6 *d.*?—We do not know how that stands. (Mr. *Ryan.*) The statement was that that amount had not been paid over to the Exchequer at the date of the report.

1162. But was it included in the amounts that were due to the Exchequer, and merely not paid over to the Exchequer, because moneys at that time were only paid over to the Exchequer once a year, instead of once in three months as they have been since; or was it not included in the sum to the Exchequer?—Paragraph 15 will explain the statement about the Exchequer receipts. "It appears from the accounts rendered to this department, that up to the 31st of March 1869, there had been passed to account, as Exchequer Extra Receipts, the sums of 6,438 *l.* 8 *s.* 3 *d.*, out of which there had been paid over to masters and mistresses, &c. the sum of 2,130 *l.* 2 *s.* 9 *d.*, leaving a balance, 4,308 *l.* 5 *s.* 6 *d.* This, however, does not represent the correct amount payable to the Exchequer as Extra Receipts. A further sum of 1,325 *l.* referred to in Note B. 2, on the account should be added to this amount for arrears of fees paid by the Admiralty on account of students of naval architecture, for the Sessions 1866–7 and 1867–8; the votes for which years have been closed; and also the sum of 50 *l.*, referred to in paragraph 7, repaid in 1868–9 on account of an error in December 1867, relating to the National Portrait Exhibition, making together a total sum of 5,683 *l.* 5 *s.* 6 *d.*" That sum of 5,683 *l.* 5 *s.* 6 *d.* does not include the sum that you referred to.

1163. Lord *Frederick Cavendish.*] The Report of the Comptroller and Auditor General on this Vote for the year 1867–8 was not presented to Parliament, owing to the examination of the accounts of this Vote not having been completed when the other Reports were made; was not that so?—The account was not made out in the form of an Appropriation Account for the year 1867–8.

1164. But a subsequent Report was made to the Treasury?—A Report upon the Cash Account was made to the Treasury.

1165. I think it has been stated to this Committee that there was no objection to that Report being presented?—There was no objection on the part of this department to its production.

1166. (To Mr. *Foster.*) I think that Report was not presented?—I understand it was not.

1167. There would be no objection to its now being presented?—None whatever.

1168. *Chairman* (to Mr. *Cole*).] We expect that these accounts will be rendered in a very much better form another year; I suppose your accountant will have learned his duty by that time, because I think, if the same remarks are made in the Report of the Comptroller and Auditor General another year, the Committee will find it their duty to make a very severe Report to the House of Commons upon the subject?—You will hold me responsible?

1169. Certainly; as long as the Treasury keeps you appointed as the accountant, of course you will be responsible?—Then I hope the Treasury will give me the means of exercising my responsibility.

On Vote 7.

1170. *Chairman* (to Sir *William Dunbar*).] I wish to call your attention to the explanation given under this Vote; have you any remark to make upon it?—I merely notice the point, but we are satisfied with the explanation.

1171. Mr.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Cocks.*

27 May 1870.

1171. Mr. *Pollard-Urquhart.*] Under these circumstances, ought not the annuity granted under the Treaty of Union more properly to be chargeable upon the Consolidated Fund than to be a Vote of Parliament?—It appears to me that it would be more properly charged upon the Consolidated Fund. (Mr. *Foster.*) It would require an Act of Parliament to do that.

1172. *Chairman* (to Sir *William Dunbar*).] It is not charged upon the Consolidated Fund by the Acts mentioned in the letter on page 199?—I fancy not; that letter contains the explanation of the accountant. I thought it proper to notice it. He said it was payable under the Treaty of Union. The Committee will observe that this payment is referred to in several Acts of Parliament. The Treaty of Union "appointed the payment for seven years, but afterwards, by the 5 Geo. 1, c. 20 (1718), it was fixed in perpetuity," and the amount was subsequently increased by another statute. (Mr. *Foster.*) But it was not put upon the Consolidated Fund. (Sir *William Dunbar.*) I have not seen the Act, but that is the explanation that the accountant gives, that it was to be a perpetual payment.

On Vote 11.

1173. (To Mr. *Foster.*) I observe that on this Vote for the British Museum there is stated to be a saving in the year we are inquiring into, under Sub-head H., "Printing Catalogues, &c.," of 1,928 *l.* 4 *s.* 6 *d.*, nearly 2,000 *l.*; will you turn to the Estimate for the following financial year and tell us what is the Estimate under Sub-head H. for that year?—The Estimate shows a demand of 4,480 *l.* for the service of the year, which is an excess of 1,140 *l.* over the amount which was voted for the previous year, and an excess of about 3,000 *l.* over what was actually spent in the previous year.

1174. Does not the comparison of that Estimate with the expenditure of the year ended 31st of March 1869, raise a presumption that that was not a *bonâ fide* saving, but that the expenditure was thrown upon the next year?—It gives that impression, no doubt.

1175. Mr. *Pollard-Urquhart* (to Sir *William Dunbar*).] Can you tell us anything about this matter?—No; I know nothing of the mode in which the Estimates are prepared.

1176. I mean the mode in which the saving has been effected?—The last year's account has not been rendered yet.

On Vote 14.

1177. *Chairman* (to Mr. *Ryan*).] It was stated here that there was a deficiency of 15,845 *l.* 5 *s.* 1 *d.* on Sub-head L., but the letter from Mr. Kelly and Mr. Newell, the secretaries of the National Education Office, only explains an excess of 11,537 *l.* 18 *s.* 7 *d.*; can you account for that discrepancy?—We have no information explaining the cause of the excess beyond this letter.

1178. (To Mr. *Cocks.*) This refers to a letter of yours, calling for an explanation of an excess of 11,537 *l.* 18 *s.* 7 *d.*, whereas the real excess is stated in the account to be 15,000 *l.*; can you account for that discrepancy?—At the time the letter was written the excess was only 11,537 *l.*, but afterwards the excess became larger; our habit is, the moment we find an excess, to call for an authority for it. (Mr. *Foster.*) I have a letter from the National Education Department, dated the 8th of March 1870, which professes to give an explanation of this circumstance.

1179. Will you read it?—"With regard to the excess of 15,863 *l.* 1 *s.* 1 *d.*, we beg to state that when the late Dr. Sullivan died his executors put in a claim for books ordered in the years 1866, 1867, and 1868, to the amount of 6,273 *l.* 10 *s.* 10 *d.*, which claim, on examination, was found to be correct. This claim was not anticipated, and accounts for a portion of the excess. The balance was caused by a great demand for the new editions of the national school books, which necessitated the purchase of a larger stock than was thought to be required when the Estimate was prepared, but the amount of money received for the sales was 17,074 *l.* 5 *s.* 1 *d.*, instead of 12,500 *l.*, as stated in the Estimate for the year, and this 17,074 *l.* 5 *s.* 1 *d.* was lodged up to the 31st of March last, to the credit of the Paymaster General, as Exchequer Extra Receipts." I see that this letter, although of a different date, repeats almost in the exact words the letter printed at page 219 of the Appropriation Accounts.

1180. Then there is no explanation of the difference between the 11,537 *l.* and the 15,845 *l.*?—Not further than is stated in the letter, namely, that it is caused by a great demand for the new editions of the national school books.

1181. Mr. *Pollard-Urquhart* (to Mr. *Ryan*).] Referring to your letter dated the 8th of November 1869, in which you say that no answer has been received to your former letter, has any answer been since received?—An answer has been since received which I will read to the Committee if they would like to hear it.

1182. Mr. *Liddell* (to Mr. *Foster*).] May I ask whether, in accordance with the recommendations of the Public Accounts Commission, and with what has been done in the case of other departments, a form of accounts to be followed has been furnished to the Department of Public Education in Ireland?—A complete set of accounts has been furnished in the same way as to all other departments.

1183. But they appear not yet to have complied with it?—They have rendered their accounts according to those forms; but, in preparing them they have not taken sufficient care about the division of the sub-heads.

1184. Mr. *Pollard-Urquhart* (to Mr. *Ryan*).] Will you be kind enough to read the answer to that letter of yours of the 8th of November?—"Office of National Education, Dublin, 3rd of March 1870.—Sir,—Your letter of the 8th November last (1,380 A.) addressed to the Right Honourable A. Macdonnell, Resident Commissioner, 'on the subject of the incompleteness of the schedules furnished to your department in support of the account for each sub-head of the vote of Parliament,' was referred in due course to Mr. Gordon, assistant accountant and bookkeeper to this department; but, owing to that gentleman's illness, the reply has been delayed until now. Mr. Gordon informs us that, when he was in London in July last, in attendance at the

Sir *W. Dunbar.* Mr. *Foster.* Mr. *Vine.* Mr. *Ryan.*

27 May 1870.

the Exchequer and Audit Department, he was called upon for explanation as to the present mode of scheduling the sub-heads of the Estimates, and that he then pointed out the difficulties that would present themselves if any attempt were made to alter the system now adopted, to that suggested, viz., scheduling under each item of the sub-heads. Mr. Gordon adds, that he was under the impression that his explanation was considered satisfactory and final, and that no alteration would be insisted on. The following is in substance the explanation given by Mr. Gordon:—Sub-head of Estimate, 1868-9, Schedule 9, Letter I. 'National Schools.' 'Salaries of 8,393 Principal, Assistant, and Junior Assistant Teachers of Ordinary National Schools, and of 143 Schools paid by Capitation Allowance, only 192,500 *l.*' 'Towards salaries of teachers of new schools, and increases to the salaries of existing teachers, consequent on the classification during the year, 7,000 *l.*' In order to carry out the requirements of the Exchequer and Audit Department, it would be necessary to issue a 'special' form of receipt for payments under the first item of expenditure (192,500 *l.*), taking care that payments of salaries to the teachers of new schools should be excluded from the schedule of this first item. With respect to the second item (7,000 *l.*), it would entail on the office considerable trouble in keeping the receipts for payments to teachers of new schools separate from the receipt for payments under the former item; and a separate receipt should be issued in the case of every teacher in the service, who, by an improvement in classification during the year, would be entitled, at the end of each quarter, to an additional payment over and above the former rate of salary. This sum of 7,000 *l.*, taken separately, has been only conjectural; and any attempt to subdivide the items would cause a serious delay in the quarterly payments; the issue of money orders would, in numerous instances, be doubled, and the cost of commission on the orders consequently increased. Some of the remaining items, under the sub-head 'National Schools,' could be scheduled, but the operation would involve considerable care and additional labour in preparing for the payments, and, subsequently, in furnishing for audit. With respect to another sub-head, 'Model Schools,' Schedule 8, or letter H., particularly in the case of District Model and Minor Model Schools, the difficulty increases. It would be impracticable to analyse the expenditure accounts correctly, so as to bring out into separate schedules the sums, as against the various items under this sub-head numbering 24. As to the remaining sub-heads under which the Parliamentary Vote is accounted for, the same difficulties present themselves in attempting to subdivide minutely the expenditure. In conclusion, we are directed to express the hope that, on the foregoing explanation, no alteration in the present system of rendering the accounts, as recently laid down by the Commissioners on Public Accounts, will be insisted upon; at the same time, we are to state that every care will be anxiously taken to carry out all the requirements of the Exchequer and Audit Department.—We have, &c. (signed) *James Kelly, Will. H. Newell,* Secretaries."

1185. *Chairman.*] What you have read shows that it is a very detailed statement; I think the letter ought to be referred to the Commissioners on Public Accounts, to see if they can get over the difficulties suggested by it; does it raise any question of principle?—It shows the difficulty which there would be in complying with what we consider to be a question of principle.

1186. Mr. *Pollard-Urquhart.*] But we cannot very well ascertain whether those difficulties are insurmountable, or whether they can be surmounted, without having the letter before us?—Perhaps not. (Sir *William Dunbar.*) It is obvious that the only mode in which the Comptroller and Auditor General can discover the intentions of Parliament (for he is bound, as far as he can, to discover the intentions of Parliament) is by referring to the Estimates. Now if the account is not prepared more or less in accordance with the Estimates, it is impossible for him to say whether the monies have been properly appropriated to the purposes for which it is intended by Parliament to make provision. I only thought it my duty to point out that that difficulty necessarily occurs, and that I cannot give Parliament the information which it ought to have, unless that is done.

1187. Mr. *Liddell.*] Do you find that you have any difficulty in checking the Appropriation Accounts furnished by the Education Department of the Privy Council?—No, they provide the schedules; they provide us with accounts framed upon the Estimates.

1188. If a similar form of accounts copying precisely the mode adopted in the Education Department in England were furnished to the Education Board in Ireland, would there in your opinion be any difficulty on the part of the Education Board in Ireland in complying with those schedules?—I do not think there would; if the Education Board in Ireland would prepare their Estimates upon an analogous principle to that which applies to the English Education Department, as a matter of course there would be no difficulty in the Comptroller and Auditor General giving Parliament the information which he cannot now afford.

1189. Mr. *Pollard-Urquhart.*] But if I recollect right, there was some difficulty on the part of the Education Board in England in preparing the accounts of 1867-8 in conformity with the Estimates; I speak only from memory?—In 1867-8, I do not think the accounts could have been rendered in the form of an Appropriation Account.

1190. If I recollect right there was a considerable discrepancy between the form of account prepared by the English Education Board and the Estimate for that year?—Yes; they did not render it quite in proper form that year, but that was the first year of their rendering an Appropriation Account.

1191. There appeared to be much the same difficulty in their case as the Irish Education Board complain of now?—No; I do not think it arose in their case from the same causes at all; their difficulty was that they had not then the right form of account.

1192. (To Mr. *Vine.*) When was the form of account delivered to the Irish Education Office?—In time for the year 1868-9.

1193. Have you seen this letter which Mr. Ryan has produced?—No, I have not.

1194. As far as you have followed that letter as it has been read, do you think that there really is any difficulty in complying with the directions of

of the Treasury about the account?—None whatever; I think the case is this: Parliament and the Treasury decided the sub-heads under which the service was to be provided for. If I understand the Comptroller and Auditor General right he is not satisfied with those sub-heads, but calls upon the department to furnish the account under more numerous sub-heads; there is the difficulty.

1195. The Report says this: "Under the sub-head L. 'National Schools,' the large expenditure of 245,113 *l.* 19 *s.* 1 *d.*, instead of being divided into the 13 detailed heads contained in the Estimates, is by the Schedules furnished to this department, presented under the general sub-head 'National Schools' only"?—Parliament has not required the departments to render an account under any other head than that shown in the Estimates.

1196. Then your view is this, that the Audit Office is requiring more than Parliament intended should be given?—Yes.

1197. (To Sir *William Dunbar.*) What have you to say to that?—What we hold is that the detailed Estimate is the regulated basis upon which the Comptroller and Auditor General founds his Report, and from which alone he can gather the real intentions of Parliament. (Mr. *Foster.*) I may, perhaps, be allowed to point out that the division of the vote into sub-heads is under the direction of the Treasury, and that the Comptroller and Auditor General only reports as to excesses upon sub-heads, at the request of the Treasury and not of Parliament.

1198. Mr. *Liddell* (to Sir *William Dunbar*).] You have heard the observation made by Mr. Foster in regard to the details under the sub-heads; have you any remark to make upon it?—I do not concur in Mr. Foster's views; I hold that the Comptroller and Auditor General being called upon to interpret the intentions of Parliament, the only means by which he can arrive at his conclusions as to the intentions of Parliament is by going into the detailed matter contained in the Estimates. In so large an item as 247,810 *l.* placed in the Estimate, under a sub-head containing only the words "National Schools," it is obviously impossible for me to report, in strict fulfilment of the duty imposed upon me by the 27th section of the Exchequer and Audit Act, unless the account is rendered to me in such a form as will enable me to ascertain the proportions of the vote expended for the separate purposes which it is intended to provide for.

1199. But do you consider that you are competent to require, and that it is within your province to require, any department to furnish its accounts in any other form than that prescribed by the Treasury authority?—They may not be bound to render us the accounts in any other form than that prescribed by the Treasury; but we consider that we are entitled to call upon the departments to furnish us with the necessary information to enable us satisfactorily to discharge our duties.

1200. And that you are bound to be satisfied with?—We consider we are entitled to call upon the department to provide us with detailed schedules of the expenditure, in such form as we may deem indispensable for the proper examination of the account.

1201. *Chairman* (to Mr. *Vine*).] But I do not understand how your remark applies; the Comptroller and Auditor General's Report says that the expenditure under sub-head I., instead of being divided into the 13 detailed heads contained in the Estimate, is rendered under the general sub-head "National Schools." The term "Detailed heads," does not mean A., B., C., D., E., and so on?—No, the Estimate is divided into three parts. The first part is the amount of what is shown in the Appropriation Act; the second part consists of the sub-heads under which it is divided by the Treasury, and sanctioned by Parliament in the Estimates; and the third part is the detailed explanation, which may be looked upon in the shape of an Appendix.

1202. As I understand, the Comptroller and Auditor General required the Estimate to be classified under more detailed heads than those which are lettered from A. to M. in the Estimate; is that so?—Not the Estimate; he requires an account to be rendered under more sub-heads than are shown in the Estimate. If the accounts are rendered in that way, the Estimate ought to be altered, because the two ought to be identical.

1203. And in the Estimate the words are used, "Sub-heads under which this Vote will be accounted for"?—Yes.

1204. And if a further sub-division were made, it would not be in accordance with that which is presented to Parliament in the Estimate?—Just so. (Mr. *Ryan.*) The intention was not to ask that the accounts should consist of more sub-heads than are contained in the Estimates, but that the Comptroller and Auditor General might have such information as would enable him to see that this sum of 245,000 *l.* did really consist of those 13 heads (one of them being over 100,000 *l.*), which are shown in the detailed part of the Estimate; without that he could not tell whether it had been really spent at all.

1205. (To Sir *William Dunbar.*) Do you wish to make any further remark on this point?—In the Estimates for 1868-9 there is this item, "Salaries of 8,393 *l.*, principal assistant and junior assistant, teachers of ordinary national schools, and of 143 schools paid by capitation allowance only, 192,500 *l.*," and other purposes; the total of the Estimate for national schools being 247,810 *l.* But supposing that the whole 247,810 *l.* had been appropriated to only one of those purposes, and that all the other purposes had been overlooked, what means have I to discover that, and to know whether the sum of 247,810 *l.* has been devoted to the various purposes for which Parliament intended it under this Estimate? Without proper schedules it is next to impossible. As I have pointed out, there is a total for national schools of 247,810 *l.*; I presume it was the intention of Parliament that that sum should be applied as far as practicable in the proportions fixed by the Estimate for the several purposes named in the sub-head; but supposing that, instead of the 13 detailed heads here included, the department were to devote the whole 247,810 *l.* to one of these purposes, is it not requisite that Parliament should know that the whole of that sum had been devoted to one instead of the many purposes for which it was intended?

1206. But does not Parliament say that the Vote shall be accounted for under the several sub-heads, naming them; the words are these, are they not; "Sub-heads under which this Vote will be accounted for"?—Yes; but those words are in a Treasury Estimate, which I cannot accept as a Parliamentary enactment; there is nothing

Sir *W. Dunbar.* Mr. *Foster.* Mr. *Ryan.* 27 May 1870.

in any Act of Parliament which requires or gives me authority to accept these sub-heads as the limit of my examination in cases in which they are insufficient for the satisfactory discharge of the duty which the Legislature has imposed upon me.

1207. Then you say that you ought to require more than that, and that they should be accounted for in greater detail?—No; we say that they ought to be accounted for under the several sub-heads, but that the sub-heads should be accompanied with schedules of the expenditure that would enable us to judge whether, under each sub-head, the money has been devoted to the several purposes for which Parliament intended to appropriate it.

1208. (To Mr. *Foster.*) What do you say to that?—I think that if this system is followed in this case, you must follow it throughout the whole of the Estimates, and every single item which appears in the Appendix to the grants must be checked by the Comptroller and Auditor General. I feel convinced that that is not the wish of Parliament. I think Sir William Dunbar might perhaps with reason find fault with the Treasury for not having sub-divided the grant into a larger number of sub-heads; but if the Comptroller and Auditor General were to attempt to check every item which is put in the Appendix to the Estimates, his duties would be increased to an enormous extent, and the whole thing would break down from the impossibility of carrying it out.

1209. To see whether we can arrive at a practical result, let me ask you this: do you think that it would be expedient to sub-divide the Sub-head I. in Vote 14; that is to say, to sub-divide the item now headed "National Schools"?—I think, perhaps, it might be desirable, being a large sum, somewhat to sub-divide it; but, as a matter of principle, I think that to recognise the right of the Comptroller and Auditor General to go, in the matter of appropriation, below the sub-heads which are laid down in the Estimate would lead to insuperable difficulties.

1210. Mr. *Liddell.*] Would not the requirement of the Comptroller and Auditor General actually place all the Departments under the necessity of keeping a double system of accounts, one for the satisfaction of the Comptroller and Auditor General, and one for the purposes of their own Department, if each grant is to be further sub-divided than Parliament already requires?—It would extremely multiply the accounts of Departments, and would lead to very heavy expense, and it would need more book-keepers to keep them.

1211. Mr. *Pollard-Urquhart.*] Into how many sub-divisions is this Sub-head "National Schools" divided in the schedule appended to the Estimate?—Thirteen.

1212. Supposing that the whole of the sum so voted had been spent on five of these sub-divisions, and that nothing whatever had been spent on the other eight, do not you think that that would call for some observations from the Comptroller and Auditor General?—He naturally would report to the Treasury that the money had been spent in a way that the Treasury had not authorised. All these salaries to which the chief number of heads apply, are salaries given under the authority and sanction of the Treasury. If the Department were to spend more upon one of these items for salaries, the Comptroller and Auditor General, under the direction which he has from the Treasury, would ascertain that the salary had been paid without Treasury sanction, and would report it accordingly.

1213. But I am supposing the extreme case of the whole sum so voted being spent on five out of 13 sub-divisions, and none whatever being spent on the other eight; should you not say that that was a thing that the Comptroller and Auditor General ought to look into?—He could not help reporting that to the Treasury.

1214. Therefore, he must look to the sub-divisions of each head?—No; he would have to report that certain parties had been paid salaries who were not properly entitled to them, who had received no Treasury authority for them.

1215. (To Sir *W. Dunbar.*) I believe you have heard the question which I have just put to Mr. Foster; what do you say on the subject?—If instead of the expenditure being incurred under 13 detailed heads the whole of that expenditure were laid out on five, the result would be simply this, that the account rendered to the Comptroller and Auditor General would not enable him to detect it. I could not report the misappropriation, because I could not detect that the money had been devoted to five only instead of 13 purposes. If the department had thought fit, as the honourable Member puts the case, to apply to five purposes what was intended for 13, it would pass undiscovered for the reasons I have stated. (Mr. *Foster.*) Excepting in this way, that the Treasury, having authorised salaries to the amount of 100,000 *l.*, the Auditor General would see that the authorised salaries had been exceeded. (Sir *William Dunbar.*) Practically, I should not possess the means of affording to Parliament satisfactory information upon the subject.

1216. *Chairman* (to Sir *William Dunbar*).] Supposing that you got the account rendered in the way in which you ask for it, should you propose to present that detailed account to the House of Commons, showing the savings and deficiencies upon each of the 13 detailed heads?—No; I should not propose to do that unless the sub-heads of the Estimate were altered accordingly; but if the detailed schedules were furnished I should see that, in regard to the several purposes to which the 247,810 *l.* was intended to be applied, the vote was so applied.

1217. You can now, cannot you?—No; I can see the fact that it has been applied to National Schools, but not that it has been applied to the several purposes included under that sub-head. The honourable Member put it very well just now; he asked the question whether, in case of the whole sum being applied to five instead of 13 items, it would come under my notice; I say that it would not be in my power to give satisfactory information on the subject.

1218. (To Mr. *Foster.*) What do you say upon that?—I think that it would illustrate the matter if we turned to Sub-head H. I find that in the Estimate, under Sub-head H., there are more than 80 different heads. Now, if one sub-head was to be multiplied into 80 detailed heads, I think it is evident that the amount of labour to be expended in keeping it in that shape, and on the part of the Comptroller and Auditor General in checking it in that shape, must be something fearful.

1219. Mr.

1219. Mr. *Pollard-Urquhart.*] But if the Comptroller and Auditor General does not find fault with that arrangement, that takes away some of the force of your argument, does it not?—My view is that it would lead to an expenditure that would cost 10 times the amount that it would save.

1220. *Chairman* (to Mr. *Ryan*).] Have you required this in the case of any other vote?—We have practically received this in almost all the rest. It is only in the case of very large votes, with very large sub-heads, that any difficulty arises.

1221. Mr. *Pollard-Urquhart.*] I suppose that there are more sub-divisions in these votes for education for England and Ireland, than in most of the other votes in Parliament?—I think so; I presume that in presenting these estimates to Parliament, the department has for its own information the means of arriving at the details of these different subjects. If they have, and if they keep their accounts under those, I do not see the great difficulty of sending us the schedule.

1222. (To Mr. *Foster.*) Have you any remark to make on that?—I think that the purpose would be equally answered without the schedules; for if 100 officers receive certain rates of salary, knowing what these rates are, it would be easy to calculate the total amount; it would not be necessary to keep a distinct account of every payment on account of those 100 people, in order to prepare the estimate.

1223. Mr. *Candlish.*] But you would have separate ledger entries setting out every other sub-account; for instance, under I. you would have a separate ledger account setting out the transactions of every school?—It is quite possible that, for statistical purposes, they keep an account of each school; but that would not meet the audit requirements, because the accounts of each school consist of a great variety of expenditure, which may fall under different sub-heads.

1224. In point of fact, have you not a ledger account of each school?—Of each school I dare say there may be a separate ledger account; but that would show of that school not only the salaries, but all other expenses which come under other sub-heads, and that would not enable them to send a schedule of payments of those items under Sub-head I.

1225. Lord *Frederick Cavendish* (to Mr. *Ryan*).] Do you have such a schedule in the case of the English Educational Department?—The English Department Grant in Aid to Schools is paid over generally to managers in a lump sum, and it is not a case of calculation.

1226. *Chairman* (to Sir *William Dunbar*).] How many detailed heads do you think this sub-head ought to be divided into?—Just the same number as we now have; 13, with a schedule showing the purposes to which the moneys under each sub-head were devoted by Parliament. Without the aid afforded by the schedule, I can only tell Parliament that the lump sum of 247,810 *l.* has been spent for national schools, but not whether it has been devoted to the several 13 purposes included in that sub-head. If it were devoted to five of the 13 purposes only, I should not have proper information on the subject.

1227. Has Parliament asked you to do more than tell them what has been paid under that sub-head?—I think so. When an estimate is laid before Parliament with detailed information, I consider that that detailed information is given in order to convey to the Comptroller and Auditor General the intentions of Parliament with reference to that expenditure.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Ryan.*

27 May 1870.

1228. I am not going now into the question whether the division is right, but when you have following the fact of the vote this statement, "Sub-heads under which this vote will be accounted for by the Commissioners of National Education in Ireland," do not you consider that all that Parliament asks is that you shall report to them as to the amount of the vote that has been expended under those sub-heads?—No, I do not think that that is sufficient.

1229. I do not ask whether it is sufficient, but whether it is not all that Parliament has asked you to do?—No, I do not take that view of the matter; more than that is required from me under the terms of the Exchequer and Audit Act. I am called upon to interpret the intentions of Parliament. Well, now, here is found an item "National Schools," that includes a total expenditure and a particular expenditure; is it sufficient for me to say that a total expenditure has been incurred of 247,810 *l.*, but that I can tell Parliament nothing about the particular expenditure, whether that expenditure has or has not been devoted to those special purposes to which Parliament intended that it should be devoted?

1230. That is rather a different question; it is a question whether Parliament ought to require the accounts in a more detailed way. But what I want to put to you is this: has Parliament asked you to account for it in any greater detail than under these sub-heads?—I think it has. The instructions of Parliament are clearly expressed in the 27th and 32nd sections of the Exchequer and Audit Act.

1231. (To Mr. *Foster.*) Do you wish to add anything?—The 23rd section of the Exchequer and Audit Departments Act says, "The plan of account-books and accounts adapted to the requirements of each service in order to exhibit, in a convenient form, the whole of the receipts and payments in respect of each vote, shall be designed under the superintendence of the Treasury." The form of the account which the Treasury designed was under these sub-heads. The Treasury may be blamed for not designing it otherwise, but it appears to me that this section leaves it to the Treasury to design the form of account in which the payment of each vote shall be shown.

1232. And Parliament, by passing the vote in the shape of the Treasury, has accepted the Treasury view for that year?—It appears to me so.

1233. It may be that a greater sub-division is required?—Certainly; but that, it appears to me, rests upon the responsibility of the Treasury.

1234. That does not affect the question as to what Parliament requires under the Appropriation Act and the vote as it now stands?—It appears to me that the Comptroller and Auditor General has no opinion to give on that point.

1235. That is, you say, that it is beyond the province of his department to give an opinion on that point?—Yes.

1236. Mr. *Pollard-Urquhart.*] If you turn to Class 4, Vote 9, you will see that there the various sub-heads which are denoted by letters have under them a number of sub-divisions which are denoted by figures; under the Sub-head C., for instance, there are nine sub-divisions. Do you think that it comes within the province of the Comptroller and Auditor General to say that the

Sir *W. Dunbar.* Mr. *Foster.* Mr. *Ryan.* Mr. *Blackwood.*

27 May 1870.

money which was voted by Parliament has been spent under each of the sub-divisions denoted by figures?—Yes, because that is the form of account which the Treasury has laid down for this vote.

1237. Should you say that it would be more satisfactory, if the Treasury would lay down for Public Education, Ireland, the same form of account as that which they have laid down in the vote which I have just referred to?—I think that it might very well be extended in that manner.

1238. That it might be carried out as far as it has been carried out in Vote 9?—Somewhat like that.

1239. *Chairman.*] Has the account rendered by the Educational Department in Ireland, followed the form prescribed by the Treasury?—Yes.

1240. Mr. *Pollard-Urquhart* (to Sir *W. Dunbar*).] If the Vote 14, for Public Education, Ireland, was divided into sub-heads and sub-divisions as Vote 9, to which I have just referred, is, could you not then better carry out what you conceive to be your duty in regard to seeing that the money has been spent in the manner designed by Parliament?—Yes, certainly.

1241. And if it was divided to the same extent as Vote 9 is, perhaps you could carry out as much as you conceive to be your duty?—Yes, it is possible that I might. I said before that it is my duty to interpret the intentions of Parliament. To enable me to do so, as far as I can, I look at the information laid before Parliament, because the Comptroller and Auditor General is the officer appointed by Parliament to examine the expenditure, and report upon it. The information afforded to Parliament, must, I conceive, also be considered as information afforded to him to guide him in the performance of his duties.

1242. *Chairman* (to Mr. *Foster*).] Have you the Estimates for 1868–9 before you?—Yes.

1243. Will you look at the Estimate for the Science and Art Department for that year, Vote 9. Do you consider that the Sub-divisions in that Estimate, 1, 2, 3, 4, 5, 6, 7, and so forth, under the different letters, are sub-divisions within the meaning of the prefix to the Vote?—Certainly.

1244. So that in that case the account must be rendered in that detailed way?—Yes.

1245. (To Sir *William Dunbar.*) I think your view would be this, that in the case now before the Committee there ought to be a greater sub-division in the Estimate?—There ought to be a greater sub-division in the Estimate. But I have some difficulty in knowing what degree of importance I am to attach to these explanatory statements that are laid before Parliament in support of the votes required from Parliament. How far are these statement to be a guide to me? Am I to disregard them altogether? When Parliament makes a grant, with a full explanation placed before it of the purposes for which that grant was intended to provide in detail, is it intended that I should take no cognisance of a statement of that nature laid before Parliament for its information?

1246. Mr. *Pollard-Urquhart.*] But if the Sub-heads A., B., C., on to M., of Vote 14, were sub-divided in the same manner as the sub-heads of Vote 9 are sub-divided, then your own view of your duty would pretty nearly coincide with Mr. Foster's idea of it?—If there were a larger sub-division no doubt it would go to a great extent to obviate the difficulty which I point out. A larger sub-division would enable me to afford Parliament a larger amount of information than I am now able to afford as to the application of the particular expenditure. With the permission of the Committee, let me add, with reference to the difficulties and expense the Treasury witnesses state would arise in sub-dividing the expenditure, and in explanation of my previous answers on that point, that the same expenditure is already reported to Parliament in the Annual Report of the Commissioners of National Education, presented by Command of Her Majesty, under the 13 heads or sub-divisions to which I have directed the attention of the Committee.

On Vote 10.

1247. *Chairman* (to Mr. *Blackwood*).] The Report of the Comptroller and Auditor General says: "The accountant has not transmitted to this department the authority of the Lords Commissioners of Her Majesty's Treasury for charging the excesses under the Sub-heads A. and B. of the Estimates to the savings effected under the other sub-heads of the Vote, although twice requested to do so;" have you any explanation of that to offer?—He has replied to the Treasury, who addressed him on the subject, and has practically requested their authority, which, in effect, has been given.

1248. Then I may say "authority given"?—Yes.

The Right Honourable James Stansfeld (a Member of the Committee), Examined.

Mr. *Stansfeld,* M.P.

1249. *Chairman.*] The Report of the Comptroller and Auditor General on this vote contains the following passage in reference to Sub-head D., "Incidental Expenses:" "The account under this sub-head is further complicated by a charge against the grant of certain costs, amounting to 32 *l.* 17 *s.* 1 *d.*, incurred by the Vice Chancellor as the returning officer, under the Act 30 & 31 Vict. c. 102, s. 41, in relation to two elections of a Member to represent the university in Parliament. The propriety of including this sum in the general expenses of the university seems to have received the consideration of the Senate, and to have been referred, by its directions, to the Lords Commissioners of the Treasury, under whose sanction the payment was entered in the account, as appears from the accompanying letter, transmitted to this department by the senate, in answer to an inquiry for explanation of the grounds upon which the charge was made against the vote. It will be observed from this letter that the decision of their Lordships, that the expenses referred to must be charged to the university, was not made without legal advice, and that the Secretary of the Treasury adds, 'It would appear probable that the further costs which may on future occasions be incurred in respect of poll clerks, &c. &c., would also be liabilities of the university.' Although it would thus appear that costs incurred by the Vice

Vice Chancellor as returning officer are held to be properly recoverable from the public, it does not seem to me to have been within the intention of the House of Commons to make provision for such expenses, when the University Vote was passed; and I am therefore of opinion that the payment in question is not properly chargeable to the Parliamentary Grant of 1868–9." Has your attention been called to that passage in the Report of the Comptroller and Auditor General upon the University of London Vote?—Yes. I should like to say, although perhaps it may not be strictly official so to do, that I am especially responsible for the conclusions which the Board of Treasury arrived at in this case. As the Committee are aware, the Member for the University of London happens to be the Chancellor of the Exchequer, and is practically the head of the Board of Treasury, because, practically speaking, the First Lord takes no part in the ordinary business of the Treasury; and under the present *régime* the Chancellor of the Exchequer takes an active part. The application to which you have referred came from the University of London, and the Chancellor of the Exchequer sent it to me with a request that I would deal with it. I interpreted that request as meaning that I should deal with it not only without taking his opinion but without his cognisance, and I carried out that to the letter, because when the conclusion at which, as representing in this case the Board of Treasury, I arrived was communicated to the London University, our letter concluded in these words: "I am to add that their Lordships have not communicated with the Chancellor of the Exchequer on the subject, and that it seems to them the most fitting course that, as Member for the University of London, he should be informed by you of the result." The first question which we considered was the chargeability of these trifling expenses to the university or not, under whatever head they might be charged. We took legal opinions upon the matter, and were advised and satisfied ourselves that the candidate was not legally liable for these expenses. The candidate not being legally liable for these expenses, it appeared to me as a matter of precedent, and with a view to the successors of the present representative of the university, that it was objectionable even to allow him to pay those expenses; and I then entered upon the consideration of the question to whom they could be charged. No doubt they could have been charged against and paid out of the private pocket of the Vice Chancellor, he having given the orders. I suppose that if we had not found the money in some way, the Vice Chancellor would have had, as the returning officer, to pay. But it appeared to me, considering the source from which all expenses of the London University are derived, and all the circumstances attending the case, that these were expenses which ought to be charged against the university itself. The Committee are aware that the university was the creation of Parliament, that all its expenses are met by Parliament, and that its receipts are paid into the Exchequer. The Committee are also aware that the University of London, which was an university called into existence by Parliament, was also by Parliament made a constituency; and under those circumstances it appeared to me that the duty being cast upon the Treasury of interpreting as well as it could the intent of Parliament, the candidate not being liable, there being no duty cast by Parliament upon the Vice Chancellor to pay those expenses out of his own pocket, all the fees of the university coming into the Exchequer, and all its expenses being paid out of the vote, I ought to hold that the intention of Parliament would have been, if its mind had been directed to this question, and that therefore for the purpose of the settlement of this question, it must be held to have been that these expenses should be paid out of the vote.

Sir *W. Dunbar*, Mr. *Foster*, Mr. *Ryan*, Mr. *Stansfeld*, M.P.

27 May 1870.

1250. Have you considered the question, against whom those expenses would be chargeable in another constituency?—Yes, more or less, I considered the question at the time.

1251. I do not know what the expenses are; it does not appear here?—They were expenses connected with advertising the election, and issuing notices and circulars.

1252. In the case of a borough constituency, who would be chargeable with those expenses?—I regret that I do not happen to have my papers, with the notes of legal opinions, with me; but I think my memory is sufficiently exact, and what I found was this, if I remember right, that there is no legal liability imposed upon a returning officer to pay any of the costs of an election; that if law does not provide for the payment of the costs, or any part of the costs of an election, those costs have to be paid by those persons, whoever they may be, who have ordered the expenditure which has to be defrayed.

1253. Has not Parliament prescribed that the candidate shall bear a certain portion of the expenses?—In the case of ordinary elections it has.

1254. Do you know whether these expenses fall under the same category as those which I have just alluded to?—I am not sure that I could give a reliable answer to that question.

1255. Lord *F. Cavendish.*] The returning officer's expenses would be the same?—In that sense they would be the same.

1256. Mr. *Pollard-Urquhart.*] Did you inquire into the practice of elections at Oxford and Cambridge?—Yes, we did.

1257. And who is liable for the expenses of an election there?—The expenses, I believe, do not fall upon the candidate; I should say I am quite distinct in my recollection upon this point with respect to the liability of the candidate for the London University, that he could not be held liable; upon that we took a legal opinion.

1258. *Chairman.*] Do you maintain that, because the candidate is not legally liable, therefore his election expenses are properly chargeable against the Vote of the University?—My opinion was that, for the reasons I have stated in this case, I was justified in holding it to be within the constructive intent of Parliament that it should be charged against the vote. I found the candidate not liable, and therefore it appeared to me that I should not be justified in inviting the candidate to pay those costs. I found the Vice Chancellor liable in this sense only, in the way in which anyone who gives an order is liable for the cost of the execution of that order, if no one else provides the money; but I did not imagine that it could have been held to be within the intention of Parliament that a Vice Chancellor, holding an honorary position in an university created by Parliament, made into a constituency by Parliament, of which Parliament paid all other expenses, the whole receipts of which were paid

Sir *W. Dunbar*, Mr. *Foster*, Mr. *Ryan*, Mr. *Stansfeld*, M.P.

27 May 1870.

into the Exchequer, should meet these charges out of his own private pocket.

1259. But do you think that the expenses of one Member of Parliament ought to have gone on the Votes of Parliament, and that the expenses of no other Member of Parliament ought to have gone on the Votes of Parliament?—Yes; my conclusion was entirely based upon reasons appertaining solely to this constituency.

1260. Mr. *Candlish.*] Parliament has created the constituency which I represent, but Parliament has left me liable to the returning officer for the expenses that he incurs?—My starting-point is this, we were advised that the candidate is not liable.

1261. Do you remember on what ground he was exempted from liability?—You must let me postpone my answer to that question, but that is the distinct legal opinion, and that is the basis from which I started.

1262. *Chairman* (to Sir *W. Dunbar*).] There is a grant for the Scotch Universities?—Yes, there is.

1263. And Parliament has lately given Members to the Scotch universities?—Yes.

1264. Have there been elections falling in the same year in the Scotch universities?—In the same year, and subsequently.

1265. Have any claims been made against the Vote for the Scotch universities for election expenses?—No; because there is an express provision in the Scotch Reform Act, to the effect that such expenses shall fall upon the candidate.

1266. (To Mr. *Stansfeld.*) Was your attention called to that?—I believe it was.

1267. Do you think that any argument arises upon that?—Yes, I do; because under that Act the liability clearly fell upon the candidate; in this case, as we were advised, the candidate was not liable.

1268. That being so in the Scotch universities, might it not be considered, in the case of the University of London, that the candidate of that university should be held liable to the same charges as all other candidates seeking other constituencies?—If you mean at law, we were advised that he was not liable by law.

1269. Not even for any charges for which candidates in other constituencies are liable?—As far as I remember, the legal opinion (but I shall be quite prepared upon another occasion to give you exact replies), the ground was this: a candidate for the representation of the London University would have the liabilities of any other man for expenditure which he had authorised, but this was not expenditure which he had authorised, and he had nothing to do with this expenditure. The Vice Chancellor, representing the administrative body of the university, issued certain notices, advertisements, and circulars, and incurred what you might call, roughly speaking, certain returning officer's expenses; those were not incurred by the authority of the candidate; and, as we were advised, the candidate was not legally liable for them; and, practically speaking, the question therefore was, whether the man who had given the orders, the Vice Chancellor, should pay them out of his own pocket, or whether they should come out of the only other fund available.

1270. Mr. *Candlish.*] So far as I know, every other candidate is in the same position; I never ordered any returning officer's expenses, nevertheless I am liable by statute?—Just so; you are liable by statute; but there is no statutable liability in this case. I am quite sure that the Committee will see that this was a moot point of some little intricacy, and on which there was nothing very clear to guide one; it was the business of the Treasury to come to as sound a conclusion as it could on the matter.

1271. *Chairman.*] The amount is a very small amount, only it strikes one as very peculiar that the election of any Member should be charged upon the Votes of Parliament?—Yes; but I think that some limit should be placed upon what you have just said; it is not the expenses of an election of a Member of Parliament, it is certain expenses incurred in connection with the election of a representative for a given constituency.

1272. I am only using the term of the Treasury Letter, "the costs which have been incurred in the election of a Member"?—They were the only costs; they were the costs incurred by the university itself, not by the candidate; as the Committee are aware an election for an university differs in many respects from any ordinary election. The candidate in an university takes no part, but stands aside entirely. If there had been a contest, and if there had been rival Committees, and the expenses of Committee-rooms, as a matter of course those costs would have had to be paid by the rival committees or candidates.

1273. But I am speaking of the necessary expenses of the election of a Member; does not it strike you as wrong in principle that the necessary expenses of the election of one Member of Parliament should be charged upon the Votes of Parliament, while that is not the case with respect to other Members of Parliament?—A charge of this kind in point of policy, I clearly agree with you, is exceptional; but I do not know that we are discussing policy; if we are to talk of policy, my opinion has always been in favour of those expenses being charged upon the constituency.

1274. But we must remember that a proposition was made to that effect to the House of Commons, and was rejected, and notwithstanding the rejection of that proposition, we are now asked to report to the House that the necessary expenses of the election of a Member for the London University are properly chargeable against the vote?—I do not know whether the Chairman has considered what the alternative would have been.

1275. (To Mr. *Foster.*) Have you anything to say on the point?—I think that there is one fact which perhaps has been overlooked, which is this: that at Cambridge these expenses, which were for advertising and printing, are paid out of the university chest; and that they do not equally fall upon the candidate seems to me to be clear, because, from the Act quoted by Sir William Dunbar, we may infer that it was necessary to pass an Act to impose these expenses upon the candidates of the Scotch universities, which showed that by law the candidate was not legally liable.

1276. How is it at Oxford?—I think the same as at Cambridge; but I know that at Cambridge it is paid out of the university chest; therefore, it appears to me that, in a similar case in the London University, it ought to come from the university chest. Now what is the London University chest? it is the Exchequer; that is the chest out of which these expenses, if met in the same way as at Cambridge, would be met.

1277. The London University chest, then, is replenished

replenished in other ways than by the Vote of Parliament?—By fees; but the income arising from those fees, instead of being expended in meeting the expenses of the university, is paid to the Exchequer, which thus really becomes the university chest, and a sum is granted out of it by Parliament to meet the expenses of the university; and surely the expenses which the university must incur for electing a candidate are, "Expenses of the University," which is the term of the Vote in the Estimates.

1278–79. The fact is this, that all the fees payable to the university chest of the University of London are handed over to the Exchequer?—That is so. Mr. *Stansfeld*.) If the Committee will look at Vote 10, they will see that the total of the grant is 9,063 *l.*, and that the amount of extra receipts realised and paid over to the Exchequer is 4,158 *l.* 4 *s.* Then there is a second branch of the question which I think is worth referring to, because it bears upon a difference of opinion which has cropped up between us and the Comptroller several times. The opinion of the Audit Office is thus expressed: "Although it would thus appear that costs incurred by the Vice Chancellor as returning officer are held to be properly recoverable from the public, it does not seem to me to have been within the intention of the House of Commons to make provision for such expenses when the University Vote was passed; and I am therefore of opinion that the payment in question is not properly chargeable to the Parliamentary Grant of 1868-9." Now there are one or two other similar expressions of opinion on the part of the Comptroller, and there is a little difference in our view which I think we might as well state. According to our view it is not correct to ask in this sense what was positively in the mind of the House of Commons at the time that a given vote was passed. I think, with reference to this particular question, that the very heading of this Sub-head, "Incidental Expenses," would be a sufficient answer. If Parliament votes a sum for "Incidental Expenses," I think that you are not entitled to ask the question what incidents were in the mind of Parliament at the time that it voted that sum, because, from the very heading, it appears that it is intended to cover incidents which may or may not be anticipated, and some of which could not be anticipated. But besides that, the intent of Parliament is to be judged by the votes, and not by the sub-heads; that I believe is a well recognised rule in the interpretation of these votes. Our view, therefore, of the matter is this, that if an expenditure comes within the terms of a given Parliamentary Vote, even though that special expenditure could not have been in the mind of Parliament, because the occasion for it arose for the first time since the vote was granted; nevertheless, the Treasury is entitled to sanction it, and to charge it to the vote, and even to create a new sub-head of the vote to which to carry the charge. Now there is some little difference of view between us and the Audit Office, which, I think, it is just as well to bring before the Committee on that subsidiary point.

1280. *Chairman* (to Sir *W. Dunbar*).] Will you explain to the Committee your view of this matter?—Much of the evidence which the Secretary of the Treasury has given has been based upon the question of law. He has told the Committee that the Treasury have been advised that this is a sum not chargeable to the candidate, and that they have arrived at the conclusion that if it was not chargeable against the candidate it must be chargeable against the university. Now, though the sum involved is small, the principle, I consider to be of vital importance, because, on referring to the letter of the Secretary of the Treasury, I found that, in the answer to the senate of the university, he opened up a broader question, and that was whether the expenditure on poll-clerks, polling-places, and such like might not also become liabilities of the university. It appeared to me that this would be a question which would crop up sooner or later, and as it was not unlikely that the expenditure in the event of a contested election, so incurred, would be very considerable, I thought it was peculiarly necessary for me to consider whether this sum was a sum properly chargeable against the vote. The Committee will observe that I did not deal with the question of law; I left the question of law to be settled between the Committee and the Secretary to the Treasury. I dealt with it simply as a charge made against the vote, and allowed against the vote by the Treasury, which I thought was not properly chargeable against it, in virtue of the provisions of the Exchequer and Audit Act. Now the account for the election expenses was brought to the notice of the superior officers in my department by the inspector entrusted with the examination of the account, and it was thought of sufficient importance to be brought under my immediate attention. I directed a letter to be addressed to the senate to ask them to explain the grounds upon which that expenditure was charged against the vote, and in reply, as stated in my report, they sent, as the authority for the charge, the Treasury letter. Now the reasons for the conclusions that I have come to are simply these. In the first place I found that, on comparing the University Vote for 1868-9 with the University Vote for 1867-8, the identical sum of 738 *l.* was introduced in both Estimates for Incidental Expenses. I drew from that circumstance this inference, that no sum had been placed in the Estimate for a charge so foreign as I conceived that to be to the purposes of the University Vote. My second reason for coming to the conclusion was, that the estimates were framed by the university authorities, and revised, I suppose, by the Treasury; and I considered that if the university authorities had intended to introduce a sum which should be applied to this special purpose, they would have considered it unnecessary to apply to the Treasury for its sanction to that charge. The doubt raised in the minds of the senate of the university tended greatly to increase my doubt, or rather to confirm the conclusion which I came to. My third reason was, that the expenditure from its very nature is occasional and cannot be foreseen, and therefore cannot be provided for in an annual vote. But my fourth reason (and it is the most important of all) was this: I had to consider, as the Comptroller and Auditor General, called upon, as I stated before, in the discharge of my duties, to interpret the intentions of Parliament, what were the purposes to which this vote for the university was intended to be devoted. Now, I find that the purposes for which the vote is granted are educational purposes. It appeared to me a vote for educational purposes, and I confess that I could not detect any affinity between an expenditure for election purposes and an expenditure for educational purposes. Upon those

Sir *W. Dunbar.* Mr. *Foster.* Mr. *Ryan.* 27 May 1870.

those four grounds I came to the conclusion that even if the law, as laid down by the Secretary to the Treasury, was correct, nevertheless inasmuch as no direct provision for election expenses had been made by Parliament for the reasons assigned, that charge could not for that year (I did not go beyond that) be made against the University Vote. Now the difficulty which the Secretary to the Treasury appears to have had was this, if it is an expenditure which the Vice Chancellor could not reasonably be required to pay, if it is an expenditure which is not legally exigible from the candidate, how can it be provided for except from this vote? Well, I have a very plain answer to that. I say this expenditure, being from its very nature unforeseen, is just that expenditure which ought to have been charged temporarily, by way of advance, upon Civil Contingencies, which is a fund specially devoted to unforeseen and unprovided expenditure; that it should have been voted, according to the established practice in replacing such advances, in the following Session of Parliament, and the subject-matter would thus have been brought legitimately under the notice of Parliament. I have stated the reasons as succinctly as I could which guided me in this matter. As I have said, I was not in the least degree called upon to consider the question of law. I should have considered the question of law if the expenditure had fallen within the apparent intention of the vote, because if the vote had not been legally liable, even though the charge might have fallen within the apparent intention of the vote, I should have considered it my duty to disallow it. But I was not called upon to consider the question of law. As I said before, I confined my attention exclusively to this point: was it intended by this one vote for that financial year to provide for an event which was not, and, from its very nature, could not, be anticipated? I would further illustrate my views by making reference to the estimate for the present year. A sum is taken for incidental expenses. No doubt at this moment not one person seated at these tables is under the belief that an election for the university will take place during the current financial year. I do not suppose that it is in the mind of the Government at this moment, or in the mind of Parliament, to make provision for the expenses of an election which may or may not happen; but surely it is within the bounds of possibility that an election may take place, that a contest may arise, that a considerable amount of expenditure may be incurred; and I put it to the Committee whether, if such circumstances were to arise, I should be justified in allowing such a charge to be made against an educational vote? I have only one further observation to make. The Chairman alluded to the Scotch universities, and I think it was said that the London University chest consists of fees which are paid over to the Exchequer. Now in the case of the Scotch universities, they have both funds of their own and grants of Parliament to sustain them; but in their case there was an express prohibition against any expenditure of such a nature being paid either out of their own funds or out of the Vote of Parliament. Let me point out to the Committee that, in this case, the Treasury did not create a sub-head. If the expense had fallen within the proper intention and meaning of the vote their duty was to have created a sub-head. They ordered it to be charged against "Incidental Expenses." I contend that, if properly payable by the public, it ought to have been charged temporarily, by way of advance, against the Civil Contingencies Fund, which is intended to provide for unforeseen expenditure; and that it should, in the next Session of Parliament, have been voted by the House.

1281. Lord *F. Cavendish.*] In the Vote under the Sub-head "Incidental Expenses," there are various detailed heads, such as Advertisements, Stationery, and Postage. Was there anything to prevent the university charging these various expenses of the election under those detailed heads?—Yes, I think there was. The university authorities, if I am to judge from the action which they took in the matter, appear to have thought that it was very doubtful whether election expenses could be charged against incidentals. The persons who had made the expenditure and had to decide upon it were the best persons to raise the question. If it had been a charge which would legitimately have fallen under ordinary Incidental Expenses, I presume that the senate not only had the power to charge it against Incidental Expenses, but would have done so without going to the Treasury.

1282. If they had charged it against those detailed heads should you have objected?—It is charged against those detailed heads.

1283. I thought it was made separate?—No, it is charged under Incidental Expenses. The account, as produced in support of the charge, bears to be for election expenses. I would draw the attention of the Committee to the fact that the account was headed "Election Expenses." Had the account been simply headed "Advertisements," of course my attention would not have been drawn to the subject, because the account might have been for advertisements or anything else clearly identified with the ordinary educational expenditure of the university; but, because it was headed "Election Expenses," and because the senate of the university did not think fit to charge it as ordinary incidental expenses, but, on the contrary, considered it their duty to bring it under the attention of the Treasury, the question of how that charge should be made naturally fell under my attention.

1284. The grant is made to pay the expenses of the University of London; there is nothing in the general head of that vote to restrict it to educational purposes, is there?—That vote appears in a general class, having relation to Learned Bodies and Educational Institutions; and, as a matter of course, the conclusion that I have drawn, and that I have drawn all along (and the whole of the detailed expenditure shows what were the purposes of the vote), is this: If the vote was intended for education and no other purpose (and this vote could have been intended for nothing else, for this simple reason, that the several Reform Bills had not passed when the University Estimate was presented to Parliament), how could it apply to an expenditure that could not possibly have been foreseen or provided for?

1285. *Chairman* (to Mr. *Foster*).] Do you wish to make any observations on the subject?—Generally, it appears to me that inasmuch as the expenses were incidental expenses, and provision was made under this sub-head for advertisements and postage (both of which formed items in the account in question, the principal sum being advertisements), Sir William Dunbar's argument would lead to this, that if there were some new thing started next year, something new which did not

not exist when the University Vote was passed, and a letter were written on that account, the postage of that letter would not be properly chargeable to this vote, but ought to be charged to Civil Contingencies. This evidently is not the intention of Parliament. I would further remark, with regard to charging it against Civil Contingencies, that I think it extremely important to maintain the principle that, if there is a vote which covers the expenditure, it ought to be charged against the vote, and not be separated from the vote to which it applies and be put under Civil Contingencies.

1286. Mr. *Candlish.*] Would it not be well that such a charge as this should come under the review of Parliament?—I think that might apply to 50 different things that might come under the head of Incidental Expenses; I think that there being provision for Advertisements and Postages under Incidental Expenses, that meets the point.

1287. But advertisements "for election purposes"?—I do not know how the Estimate could have stated all the purposes for which advertisements might be required.

1288. But, as the special purpose was unknown to Parliament, would not such a course as would bring it under the review of Parliament be a preferable course, and would not the charge in the Civil Contingencies have brought it under their review?—I think it would rather have led to conceal the charge. Falling upon the University of London among other items it would have been just as likely to escape attention as here. If it had been a large sum, I think that the Treasury might have authorised a separate subhead for it; but as it seems fairly to fall under Incidental Expenses, I should hardly have thought of proposing that. (Sir *William Dunbar.*) Supposing I had done this; that I had accepted the law as laid down by the Secretary to the Treasury, that there had been a contested election, that not only these expenses but the expenses of polling places and such like had been incurred, and that the expenditure instead of being 32 *l.* had been 300 *l.*, and supposing that in the discretion left to me (for a great amount of discretion must necessarily be left to the man who is under no control himself) I had allowed that expenditure, and passed it over without comment in my report, how would it have come under the notice of Parliament? Supposing that I had accepted the two views, that election expenses were legally chargeable to the vote, and though not specially provided for by the vote, formed a proper charge, as contended by the Treasury, against Incidental Expenses, in what way would Parliament have come to the knowledge of the fact that an expenditure not previously sanctioned by it, had been incurred and paid out of the vote? It would have come under the notice of Parliament, undoubtedly, if the course which I suggested in a previous part of my statement, that the sum should be advanced out of Civil Contingencies, had been followed. (Mr. *Foster.*) An expenditure of 300 *l.* would produce a large excess upon the sub-head, which would have to be accounted for, and be reported upon to Parliament.

Sir W. *Dunbar*
Mr. *Foster.*
Mr. *Ryan.*

27 May 1870.

On Vote 17.

1289. Mr. *Stansfeld* (to Mr. *Ryan*).] I see that the Comptroller and Auditor General reports that the deficiency of 21 *l.* 3 *s.* 2 *d.* ought to be converted into a saving of 17 *l.* 7 *s.* 4 *d.*?—A satisfactory voucher has since been produced to the Audit Office in reference to that matter, and the amount has been allowed since.

Wednesday, 15th June 1870.

MEMBERS PRESENT:

Mr. Candlish.	Mr. Liddell.
Lord F. Cavendish.	Mr. Pollard-Urquhart.
Mr. A. Egerton.	Mr. Sclater-Booth.
Mr. W. Fowler	Mr. Seely.
Mr. Ward Hunt.	Mr. Stansfeld.

THE RIGHT HONOURABLE GEORGE WARD HUNT, IN THE CHAIR.

Sir WILLIAM DUNBAR, Bart., Mr. MORGAN HUGH FOSTER, C.B., Mr. WILLIAM GEORGE ANDERSON, Mr. CHARLES VINE, and Mr. CHARLES LISTER RYAN, called in; and Examined.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
15 June 1870.

ON VOTE 2, CLASS 5.

1290. Mr. *Liddell* (to Mr. *Foster*).] WILL you be kind enough to tell the Committee the principle upon which the tonnage bounty upon slavers is based?—The tonnage bounty is the sum that is allowed per ton to the captors of a slave vessel captured with or without slaves on board. The slave bounty is so much per head for each slave captured.

1291. Then I imagine that, in framing the Estimate for this expenditure, there must be considerable margin allowed?—Certainly. It is impossible to make a very close estimate of what number of ships or slaves will be captured.

1292. But in sanctioning the payments, do you receive from each captain a list clearly drawn out of the precise number of the slaves taken, and, in the event of there being no slaves, of the tonnage of the vessels captured by him?—We are guided by a decree of the Vice Admiralty Court on the station where the ship is condemned. Those Vice Admiralty Courts are presided over, not by legal officers, but by consuls, by merchants, by half-pay captains, and others who have not had the advantage of legal training. Therefore it is impossible to look at those decrees with the strictly legal view with which a decree in England would be regarded. We are obliged in all cases to use considerable discretion. All cases are referred to the Registrar of the Court of Admiralty in London, who gives his advice to the Treasury upon the matter; and the Treasury, using a certain amount of discretion where there may be a deficiency in any minor point, orders the payment to the captors of either the tonnage bounty or the bounty on slaves.

1293. Is it the opinion of the Treasury that this is a Vote which requires at all times very careful scrutiny, and might be liable to abuse?—We are obliged to be almost entirely guided by the advice of the Registrar, who is a legal officer, well versed in these matters. I should doubt there being any likelihood of abuse taking place. The condemnation of the vessel is always effected by an established Court, and the deficiencies which occur in the decrees are generally mere legal defects. The Court always deals with the matter with sound common sense, and does the best it can with the facts before it. I do not think that there is any reason to doubt the efficiency of the Court in dealing with the questions that come before it in a reasonable and proper manner.

1294. Mr. *Pollard-Urquhart.*] The note on Sub-head L., "Presents to Niger Chiefs," is, "This charge having been reported after the general Estimate was submitted to Parliament, no sum was inserted on account thereof:" would not that have been more properly chargeable under the same head as some extraordinary expenses under Vote 5 have been charged to, because I see that there was a large sum incurred on account of the Niger Expedition, which has been charged to Vote 5, and the Comptroller and Auditor General has made some remarks upon it?—Vote 2, "Tonnage Bounties, &c.," is a Vote which is considered to apply entirely to the slave trade, and as these presents to Niger chiefs are given in connection with the slave trade, it was considered that Vote 2 would be the most appropriate to put that expenditure under.

1295. Then am I to understand that these presents were not given at the time that this Niger Expedition was made, on account of which the sum included under Vote 5 was expended; one would think that the two would, to a great extent, go together; there is no sub-head for the Niger Expedition, but in his report the Comptroller and Auditor General remarks that some expenses for the Niger Expedition have been charged to Sub-head E. of Vote 5?—With regard to that sum of 1,741 *l.* 6 *s.* 10 *d.*, charged to "Incidental Expenses" under Vote 5, the case is perfectly different; that expenditure had nothing to do with the slave trade. We had a consulate up one of the rivers on the Niger, and that expenditure was incurred in the defence of the consulate against some native tribes. The vice consul there sustained a siege of several months in the most gallant manner. He was driven to considerable extremities, and had to buy from the factory there brass rods and different things, which he cut up into bits to form shot to fire at the natives. There was a regular siege, which ended

ended by his beating the enemy off. The cost of sustaining that siege amounted to 1,741 *l.* 6 *s.* 10 *d.*, and it was thought that a charge in defence of a consulate was properly chargeable upon the Consular Vote.

1296. These presents to Niger chiefs, included in Sub-head L., Vote 2, had nothing to do with that siege, and the expenditure consequent thereon?—Nothing whatever.

1297. *Chairman.*] I suppose the presents to Niger chiefs were for information with regard to slaves which had been deported to the coast?—They were entirely connected with the slave trade.

1298. Mr. *Pollard-Urquhart* (to Sir *W. Dunbar*).] Did this charge for presents to Niger chiefs attract your attention?—Yes; I only noticed it because there was a sub-head added which was not provided for in the original Estimate.

1299. You thought it was properly chargeable to Vote 2, although it was not provided for in the original Estimate?—I did not express any opinion upon the propriety of charging it to that Vote.

1300. But you think, as things stand at present, that the presents to Niger chiefs were properly chargeable to Vote 2?—We cannot tell the actual purposes to which these moneys have been devoted; it must follow the Estimate; but in this case I pointed out that there was no sub-head to include this expenditure. I made a remark on the subject with regard to an expenditure of 1,741 *l.* 6 *s.* 10 *d.* on a subsequent Vote for Consuls Abroad.

1301. Mr. *Liddell.*] I presume the money spent for those purposes would be looked upon rather in the light of secret service money, would it not?—No, I should think not. I suppose that the Treasury consider this to be an expenditure incidental to this particular Vote.

1302. *Chairman.*] Why could not it have been classed under Sub-head F., "Incidental Expenses," under Vote 2?—It is for the Treasury to explain that.

1303. (To Mr. *Foster.*) What have you to say upon that point?—It might have been thrown in with "Incidental Expenses"; but the Treasury considered that it was better to bring the actual expenditure more clearly out. It is plain that we should have had an excess on "Incidental Expenses," if we had thrown this expenditure into that sub-head, and there must have been an explanation if it had been exceeded.

1304. You thought it better to have a separate sub-head?—It appeared to us to be more clear in that way.

On Vote 5.

1305. Has any rectification of what appears to be a mistake in charging Lieutenant Colonel Mansfield's military pay to this Vote been made?—The Treasury consider that the military pay of this officer ought to be charged against military funds, and they have directed the Foreign Office accordingly.

1306. Mr. *Seely.*] Supposing that Colonel Mansfield had no military pay, would the consular salary which is allowed to him be sufficient?—I think that it is very probable that if he had no military pay, they would either not have chosen Colonel Mansfield, but would have been satisfied with an inferior officer; or else they might, under the circumstances, have given him an additional allowance.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*

15 June 1870.

1307. *Chairman* (to Sir *W. Dunbar*).] But you have not disallowed the proportion of pay which represents the military pay of Colonel Mansfield as a charge against the Vote?—No.

1308. (To Mr. *Ryan.*) It ought to be disallowed, ought it not?—It was in the Estimate, therefore it could not be disallowed; but it appeared to us to be an incorrect state of Estimate, and therefore we thought it desirable to call the attention of the Committee to it.

1309. If it is now to be charged to the Army Vote, how will the account be adjusted?—It will be adjusted in the subsequent Estimates; but it will continue to be charged against the Consular Vote, even down to 1870-71, because it is included in the Estimates for the present year.

1310. Mr. *Seely* (to Mr. *Foster*).] If the amount charged is only a fair remuneration to the officer, the military pay ought to be included in this Vote, because this Vote ought to represent the actual expenses of the department?—The salaries of the consuls are all fixed; the department could not increase the salary without Treasury sanction. The Foreign Office may sometimes consider that, by taking a military man who has military pay, they get a superior class of officer to represent them to what they would get if this were not allowed; if it necessitated the increase of the consular salary, they most likely would abandon it, and appoint an inferior officer.

1311. Mr. *Egerton.*] In a case of this kind, where a salary is given in addition to pay from another source, would it be correct or not that there should be a foot-note explaining that it is given in addition to the standing pay of the officer?—Certainly, that is done in most cases; there may be omissions, but it is intended that the Estimates should show that.

1311* That would have been right in this case?—Yes.

1312. Mr. *Stansfeld* (to Mr. *Ryan*).] There was a note in this case, was there not?—I think not; but we knew that the military pay was charged from the gross amount.

1313. (To Mr. *Foster.*) In some instances, is there not an arrangement between the departments, that when a military or naval officer is appointed to a civil post, his military or naval pay should cease, and that the Civil Department should bear the whole of his remuneration?—That is done in several cases.

1314. And by that kind of arrangement between the departments, the view of the honourable Member for Lincoln is carried out?—Yes.

1315. I believe that the military pay as well as the consular salary of Lieutenant Colonel Mansfield is taken in the Estimates of 1870-71?—Yes.

1316. Do you happen to know whether his military pay is also estimated for in the Army Estimates?—I could not answer that question for certain; but I should presume that if it is in the Consular Estimate, it is not in the Army Estimate.

1317. But if this Committee should be of opinion that the military pay, in the absence of any arrangement between the departments, such as that to which I have referred, should not be included under the Consular Vote, would there be any difficulty in charging the Consular Vote only with the consular salary and Colonel Mans-

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*

15 June 1870.

field drawing his military pay from the War Office Vote?—The Treasury could quite easily give that direction.

1318. Mr. *Liddell.*] In the event of a military or a naval officer being appointed to a civil office of this kind, and the department undertaking the whole pay, I presume the Estimate would show what the amount of his salary as a consul would be, and, in addition to that, the amount paid to him in excess of the ordinary salary as military pay?—I think that the Estimate would show it either as civil pay entirely without any observation, or if he received military pay it would or should state the civil salary in the Civil Estimates, with a note attached, showing that he also received military pay under the Army Estimates.

1319. That would give the full information that Parliament would be entitled to ask for?—I think so.

1320. Mr. *Seely.*] Is there any clause in the Act of Parliament which prescribes that any military officer employed on civil service should not, during the time that he is so employed, receive any military pay?—In the Appropriation Act there is a clause which states that any officer upon half-pay, if he receives civil employment, and the remuneration for it exceeds three times his half-pay, shall cease to draw that half-pay.

1321. Is it not the object of these accounts to present to Parliament the cost of certain departments, and if so, ought not the entire costs to be represented in the account of this Vote?—It may be said that the half-pay is looked upon not as remuneration, but as a retaining fee for future services; thus, a half-pay officer being retained for future service, the army which would benefit by his future service should bear the cost of it.

1322. But the Treasury, I suppose, would admit the principle that whatever is a fair remuneration for the officer employed ought to be charged against that particular Vote?—I think that that system would be the right one to follow as regards the remuneration to be given to the officer for that service, but where there has been a fixed salary, and a civil servant has been always paid at that rate of salary, I am not sure whether in appointing a half-pay officer they would be bound to include his half-pay in the civil salary, because the remuneration for his service to the Civil Department is met by the ordinary salary, and the half-pay, which is a retaining fee, is met out of the Army Votes in consideration of the future service he will give to the Army Department, if required.

1323. I think I understood you to say that you got a superior officer in consequence of taking a gentleman who had half-pay, and that if he had not had half-pay you would have had an inferior one?—I think that arrangement has that effect, and does sometimes secure better officers for particular posts.

1324. If it is desirable to have a gentleman of that class, is it not desirable to charge against the Vote the full amount which you pay to him?—I think where the service requires necessarily an officer of high standing, that argument tells completely; but I think there are some cases where it is rather accidental that a military officer is appointed, and the place might be equally well filled by a person who does not draw half-pay, in addition to his salary.

1325. *Chairman.*] Can you tell in the case of this particular officer, whether he draws the full consular pay as well as his military pay, or whether any abatement is made from the consular pay in consequence of his receiving military pay?—I understand that he draws his regular consular salary in addition to his half-pay. At Warsaw it is important to have a military officer as consul.

1326. The deficiency of 2,176 *l.* 8 *s.* 2 *d.* on Sub-head E, "Incidental Expenses," is explained thus: "The excess of expenditure was occasioned by circumstances which could neither be foreseen nor controlled;" can you give any further explanation of that?—I think it must be owing to the same cause as has been stated in explanation of many of these deficiencies, namely, that this is the first time that an Appropriation Account has been rendered, that the Consular Accounts were not kept under these headings before, and that it was very difficult to form an estimate of what the incidental expenses really had been, and therefore what they were likely to be in the following year.

1327. Mr. *Stansfeld.*] Do you happen to remember whether the attention of the Foreign Office has been drawn to the insufficiency of that explanation?—Not officially certainly.

1328. Mr. *Seely.*] This discrepancy is not likely to occur again?—No, it will not occur again, I hope.

1329. Lord *F. Cavendish.*] A large proportion of this excess was accounted for by the sum of 1,741 *l.* 6 *s.* 10 *d.* expended for the Niger Expedition, was it not?—That is so.

1330. *Chairman* (to Mr. *Ryan*).] If that information has reached the Comptroller and Auditor General, why should it not have been included in the original explanation?—The Comptroller and Auditor General has had no information that this expense of 1,741 *l.* 6 *s.* 10 *d.* was incurred for defending the consulate against an attack. On the contrary, we thought that these expenses, the voucher for which I have here, and which I shall ask the Committee to look at, were for presents to the Niger chiefs, inasmuch as the nature of the expenditure is the same as that which is charged under Vote 2, for presents to the Niger chiefs. It is true that there are three kegs of gunpowder included, but they only count for 3 *l.* out of the 1,741 *l.* 6 *s.* 10 *d.*

1331. Then the item for brass rods does not appear?—There is an item of 155 cases of brass rods, amounting to 1,007 *l.* 10 *s.* Then next comes "fez caps," then "rose nails," then "white chintz," then "brass tacks," and further on we come to "red Turkey twill," "cases of gin," "strings of real coral," and a "damaged muslin turban."

1332. Is that gin for the Niger chiefs?—I think that these things must have been put into canisters and fired at the Niger chiefs' heads; that is the only way I can account for it (*handing in the Account*).—(Mr. *Foster.*) I believe the brass rods were cut up not in order to make presents to the natives, but to fire at their heads. With regard to the spirits, I suppose they were to keep up the courage of the allied tribes who aided in the defence.

1333. I see in this account a keg of green paint, and a paint brush, was that to paint the chiefs with?—I have here an interesting account of the siege, if any honourable Member wishes to read it.

1334. Mr. *Seely.*] Who authorised this expenditure?—The consul there had no means of obtaining

obtaining authority for the expenditure. He was suddenly attacked, and had to defend himself, in the centre of Africa, as best he could. He had no opportunity of obtaining authority for the expense, and when his bill to pay for the cost of sustaining the siege first arrived in London, it was refused; but when his graphic account of the siege came, the Government thought they had no choice but to allow the expenditure, and accordingly they paid the bill.

1335. Mr. *Fowler.*] You consider that the siege was a circumstance which could not be foreseen nor controlled?—Certainly it was not foreseen, and could not be controlled.

1336. That is what you mean by that explanation?—That is not my explanation.

1337. *Chairman* (to Mr. *Ryan*).] Who is that account signed by?—It comes from Mr. Alston at the Foreign Office.

1338. There is the signature of a Mr. Lewis?—He is the general agent, I believe.

1339. Is he a general agent of the Foreign Office on the Western Coast of Africa?—No, of the West African Company.

1340. Did he authorise the expenditure?—The consul incurred the expenditure, I presume.

1341. On his own authority?—On his own authority, and afterwards it was allowed by the Foreign Office, and came in the account to the Audit Office as sanctioned by the Foreign Office.

1342. Mr. *Seely.*] Then was it claimed specifically on the ground that he had been attacked?—We had no explanation or reason to assume, until this moment, that that was the nature of the expenditure. We conceived that it was expenditure for presents to chiefs, and that it bore an analogy to the other expenditure under Vote 2, which was put down as being presents to the Niger chiefs.

1343. *Chairman* (to Mr. *Foster*).] Have you a paper which explains this charge?—I have a paper which gives a full explanation of the whole of the circumstances.

1344. Will you read it to us, if you please?—"Mr. Macleod is British consul for the districts of the Niger and Chadda (or Benuwe), with salary and allowance of 700*l.* per annum. His station is Lukoja, at the confluence of the Niger and Benuwe, an important town in the territory of King Massaba, which seems to have grown up within the last few years. Its origin is said to be due to the circumstance that Dr. Baikie once built himself a hut on the spot; subsequently it became the site of a factory of the West African Company, Limited (17, Dickinson-street, Manchester), round which has gathered a community of 2,000 souls, natives of different tribes, who have come for purposes of trade, or for the protection of the white man, redeemed slaves, soldiers, and missionaries. Mr. Macleod's duties are:—1. To repress the slave trade, and, so far, are extremely vague. 2. To encourage British trade with the natives, which apparently means to cater for, and in all ways foster, the factory of the West Africa Company, Limited. 3. To succour the missionaries whenever their zeal may lead them into difficulties. The mode in which these duties are to be performed is left very much to his discretion, so long as his expenses do not exceed 200*l.* per annum. Upon this point only do the instructions given him by the Foreign Office appear to be definite. His relations with the inhabitants of Lukoja and with King Massaba are somewhat peculiar. The inhabitants consider themselves British subjects, and look upon the consul as governor of the town, on behalf of Her Majesty; they obey him implicitly, and trust to him for protection. On the other hand, the consul's policy seems to be to let no opportunity escape of acknowledging Massaba's prerogative as Sovereign of Lukoja; and such a course is clearly dictated by prudence, because for several months in the year the Niger is closed to European navigation, and during this period the consul must depend upon the king for protection against the bands of pirates who infest the river and its tributaries. Thus Mr. Macleod enjoys the advantage of a sort of double vice-royalty, representing concurrently Queen Victoria and King Massaba. Perhaps this circumstance explains the comparatively sluggish interest taken by Massaba in the fate of Lukoja. He is ready enough to send soldiers for its defence, his troops having been quartered there since 1865, but he insists upon the consul paying for their support, and would appear not to care to visit the place in person, whatever need there may be for his presence. At the same time he seems flattered by that officer's attention, and repays him with patronising compliments and advice, and in short shows a shrewd appreciation of his real position, which does much credit to his sagacity. The above remarks may help to make the following narrative intelligible. About two years ago Mr. Macleod felt it his duty forcibly to rescue the Bishop of the Niger, who had been kidnapped by the pirate chief Aboko. On the 1st November 1867, when the navigation of the Niger was closed to Europeans, three piratical chiefs, Smicoja, Abajee, and Agabedoko, with 1,200 followers, appeared before Lukoja and demanded of the consul 200 slaves, or 1,000*l.* worth of goods as ransom for the rescued prelate. Mr. Macleod refused, perhaps feeling that he had already paid dearly enough, for the rescue had cost the life of Mr. Fell. Upon this the chiefs said that they did not want to fight about it, but would for the present turn their attention to a collateral object of their expedition, viz., the vacant throne of Ghibbi, a district on the opposite side of the river, for which Agabedoko was a candidate. They then ensconced themselves in threatening positions on either side of the factory and within musket range; Agabedoko and Semicoja with 1,000 men at the point of confluence of the Niger and Benwe, and Abagee on Duck Island with 200 men. Mr. Macleod could not doubt their ultimate intention, but determined to remain strictly on the defensive. There were only 200 of the royal troops in the place. Messengers were sent to apprise the king, and meanwhile the consul trained the townsmen, mounted some old guns 'which became the wonder of the country and terror of the enemy,' cut two military roads, one four and the other three and a half miles long, to help in obtaining supplies, and in a word took all those measures which were to be expected from a person of his energy and readiness of resource. In January 1868 Messaba sent 600 warriors to protect the town, but their keep proved so expensive that Mr. Macleod was obliged to send them back again in the course of a week. In the following month a relay of 400 Bunns came from the king, with orders to remain, and bearing a message from his

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*

15 June 1870.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*

15 June 1870.

majesty to the effect that 'he was much pleased with the measures taken for the defence of Lukoja. He knew the enemy intended to attack, and begged Mr. Macleod not to leave the consulate without a guard.' A friendly king named Achia also arrived with canoes and a body of followers. He was one of the rival candidates for the Ghbibi throne, and hoped to secure Massaba's support by helping him to defend Lukoja. March at length came round, and the people of Lukoja began to be busy with their farms. Then for the first time did the pirates attack the factory. They were repulsed, however, with a loss of 17 killed, three prisoners and a gun, both the latter at once being sent to Massaba as trophies of war. After this the enemy attacked some three or four times a week, but without decisive results. Mr. Macleod did not feel able to assume the offensive till the end of March, when he was joined by one of Massaba's best generals, Galadmo, with a body of cavalry. He then proposed to construct some large rafts, warp them up the river, and after embarking upon them with a party of troops under his own leadership, drop quietly down the stream to a point whence the enemy might be attacked in the rear. In the meanwhile Achia with his canoes was to engage the pirates in front. This plan, however, broke down because 'the Nussies' were afraid to trust themselves on the water; Achia, therefore, and his men made an assault by themselves on Duck Island, captured 113 prisoners, who were duly sent to Massaba, and forced Abagee to take refuge with his brother chiefs at the confluence of the Niger and Benuwe. The next three months and a half passed by in comparative inactivity. In April the consul erects two masked batteries, and contrives a respectable grape out of some odds and ends of metal. In May he receives a message from Massaba explaining that Nussies cannot fight on water, and promising to send a party of Kakundàs who can. The Kakundàs did not come till the 21st July, and for two or three days after their arrival were a little doubtful which side they would join. Mr. Macleod's diplomacy, however, in the end prevailed over the intrigues of Semicoja. On the 23rd the original plan of attack was revived, and the Kakundàs take the enemy in the rear, whilst Achia engages them in front. Mr. Macleod remained in Lukoja superintending a vigorous bombardment from his batteries; the fight lasted till the 27th, when the pirates fled in disorder, Semicoja with 200 men up the Benuwe to Upper Atipo, and Abagee and Agabedoko with a considerable body of followers to Beaufort Island. Agabedoko, however, died of his wounds in seven days afterwards. Mr. Macleod felt that though broken, the pirates were far from destroyed. A few months later reinforcements would reach them from the delta, and they would become as formidable as ever. The only safety lay in utterly stamping them out. In August, therefore, when the Niger was again open to British vessels, and Her Majesty's ships 'Pioneer' and 'Investigator' arrived in the river he arranged an expedition with Lieutenant Sandys for the purpose of crushing Semicoja. The ships took up a position before Upper Atipo on the 21st August. Negotiations for the surrender of the pirate chief proving fruitless, fire was opened upon the village of Atipo, and in a little time they were reduced to ashes. Semicoja wounded and abandoned by all but one wife, was forced to fly to the Adelaide Mountains, no one daring to offer him shelter. In like manner on the 17th September, Her Majesty's ships, by order of the consul, destroyed the strongholds of the pirates on Beaufort Island. But just before this was done, Mr. Macleod was obliged to leave for Madeira on account of ill-health. Nine months' fighting with pirates had told upon his constitution; but this was not all. There was a heavy bill to pay, and the Foreign Office had forbidden him to incur any extraordinary expense. Throughout the whole of the siege of Lukoja, Mr. Macleod had been obliged to provide for the maintenance of several hundred troops, and at one time certainly for a good many more than the number of besiegers. No doubt the native inhabitants were made to furnish free quarters to the defenders; but for the rest, Mr. Macleod had to look to the factory of the West Africa Company, Limited. This firm supplied him with brass rods and other articles used in traffic with the natives; their bill for the first year amounted to 1,741 *l.* 6 *s.* 10 *d.*, and on the 15th September the general manager, Mr. Lewis, wrote to the consul as follows: 'I have been thinking over the manner you proposed yesterday of settling up my account by simply signing it. This appears to me very unsatisfactory, and I should be glad if you will square up in the usual manner by a bill. I do not doubt you have orders not to draw, but there must be a mistake, inasmuch as how can the Foreign Office expect you to keep up the consulate here without funds?' This letter removed Mr. Macleod's scruples, and he at once 'squared up' in the manner desired. The bill has been presented in England, and after a little demur been accepted by the Foreign Office and charged provisionally to the Vote for Special Missions."

1345. Was that paper supplied to you by the Foreign Office?—No; it is a paper prepared at the Treasury.

1346. I see it is headed confidential; I suppose you have committed no breach of confidence in reading it?—I believe not.

1347. Mr. *Liddell.*] That paper has not been submitted to Parliament, has it?—No.

1348. Mr. *Fowler.*] In that paper there is a reference to the expenses of keeping the men, the provisions, and so on; if I understand the narrative rightly, that is the great ground of expense which is put forward, but the expenses which appear by the voucher are not at all for provisions; can you explain that?—The consul had to pay all the native troops who came to assist him in some way or other, and his means of paying them was by supplying articles of this nature to them.

1349. Then you mean to say that the brass rods were used for two purposes, to fire and to pay with?—So I understand.

1350. *Chairman.*] I suppose we may consider that the Factory Company, Limited, did a great stroke of business during these few months?—I suppose they did not omit to charge their profit upon the articles they supplied.

1351. The person who signs that account as the general agent of the Foreign Office is the head of the factory, is he not?—Mr. Lewis is the agent of the factory; he has nothing to do with the Foreign Office.

1352. (To Mr. *Ryan.*) I understood from you that the account was signed by Mr. Lewis as the general

general agent of the Foreign Office?—He is the general agent of the West African Company, Limited, who received the money.

1353. I think you said in your former answer that he was the general agent of the Foreign Office?—I was wrong if I said so.

1354. In fact that is the bill sent in by the Factory Company and signed by its manager?—Yes, it is signed by him as received.

1355. I was under the apprehension that it was signed by the agent of the Foreign Office as a voucher for its correctness?—No.

1356. Mr. *Stansfeld* (to Mr. *Foster*).] I think, after this explanation, it would be as well if you would state to the Committee whether any steps have been taken to prevent the possibility of the recurrence of such proceedings?—I believe the consulate has been done away with.

1357. Lord *F. Cavendish.*] Why was not this explanation given to the Audit Office when they demurred to the heading under which the expenditure was charged?—The explanation was omitted originally by the Foreign Office, but it was supplied to the Comptroller and Auditor General on the 23rd of December last.

1358. *Chairman.*] Do you know the conditions under which the Foreign Office accept bills drawn for a larger amount than their agent is authorised to spend?—The first step of the Foreign Office was to refuse the acceptance of the bill, and it was not paid until explanations were received from the consul, and then under the circumstances they thought they would scarcely be justified in refusing to pay for the articles which had been supplied to the consul, but a determination was come to to abolish the consulate.

1359. Was any inquiry made before the bill was accepted as to the propriety of the charges?—I do not know that any special inquiries were made of the West African Company. It is difficult to say that these articles were not required.

1360. But then it may be a question whether the prices charged were proper?—I imagine the bill underwent the usual scrutiny which the Foreign Office would give to such bills,

1361. Is the usual scrutiny a strict one, do you know?—I think it would be better to get some one from the Foreign Office to answer that question. I should not like to undertake to give an answer to it.

1362. (To Sir *W. Dunbar.*) Have you anything to say upon this item beyond what you have said in your report?—No; I wish only to observe that the letter of the 23rd of December 1869 does not give us any specific information as to the real purposes to which the money had been applied, and I wish also to observe that the Foreign Office appears originally to have charged it against the Vote for Extraordinary Expenses for Foreign Missions, the Vote which I consider it ought to have been charged against. The quarrel seems to have arisen out of the capture of a bishop; that seems to have been the *fons et origo mali.*

1363. (To Mr. *Foster.*) What have you to say against the proposition that this sum ought to be charged against the Vote for Extraordinary Expenses for Foreign Missions?—I think the explanation is this; that it was a defence of a consulate, not a defence of a mission; there is no mission there.

1364. Then the mission, which is the first item in that account, does not mean a foreign mission, but an Evangelical mission, does it?—I imagine the agent of the West African Company was not much up in the difference between missions and consulates.

VOTE 5 was postponed.

Mr. STEVENSON A. BLACKWOOD, called in; and Examined.

ON VOTE 6.

1365. Mr. *Liddell.*] I OBSERVE that there is a large deficiency of 2,769 *l.* 8 *s.* 8 *d.* under Sub-head B., for "Legation Guards;" I should like to ask, if you can tell us, whether this expenditure for Legation Guards in China, Japan, and Siam is in the nature of extra pay to our troops, or whether it is for natives engaged in this special service?—I believe that the Legation Guards in Japan consist of a distinct police force sent out from England.

1366. Is that force organised in England and sent out?—It is.

1367. Does that apply to Siam as well as to Japan?—Only to Japan and China.

1368. Then we are to understand that this deficiency occurred in Japan?—In Japan and China.

1369. Mr. *Pollard-Urquhart* (to Mr. *Foster*).] If the accounts had been kept in the manner in which they were kept in previous years, this deficiency of 2,769 *l.* would have been charged against "Incidental Expenses," would it not?—In former years a vast number of charges were thrown upon "Incidental Expenses." The Vote, I believe, was about 10,000 *l.*, and the expenditure was often 15,000 *l.* The accounts were very badly kept, and everything that could not fall elsewhere was charged to "Incidental Expenses." Under the new system the sub-heads have been so arranged that the expenditure will be clearly shown under the different heads to which it applies.

1370. Mr. *Stansfeld.*] Were not explanations upon this subject afforded in the Excess Votes, presented to the House at the commencement of the Session?—Yes, they were.

1371. Mr. *Liddell.*] A question arises out of the answer that Mr. Blackwood has just given, which I should like to clear up; he says that the Legation Guards are a police force sent out from this country; if that be so, it is quite clear that the Estimate for the expenditure upon that service can be accurately ascertained; then I want to know how it occurs that an excessive expenditure on account of Legation Guards sent out from this country, to such an extent as 2,769 *l.*, can occur unless the services of native or other guards were engaged out there?—I imagine that the grant made was for the salaries, and did not include all the "Incidental Expenses." I understand that large numbers of horses were purchased on the spot, which had not been anticipated. I am told that the cost of the horses was about 200 *l.* a piece,

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*

15 June 1870.

which of course would soon add up to a large amount.

1372. Mr. *Pollard-Urquhart.*] The explanation with respect to these Legation Guards is that "the expenditure on account of Legation Guards was formerly subdivided, part being charged as pay, and part as Incidental Expenses;" turning to Sub-head H., "Incidental Expenses," we observe that there is a deficiency of 587 *l.*; if the accounts had been kept in the manner in which they were kept last year, the deficiency under the head of "Incidental Expenses" would have been 2,769 *l.*, plus 587 *l.*, that is, about 3,300 *l.* altogether, would it not?—No doubt there would have been a heavier deficiency on "Incidental Expenses," the usual deficiency in previous years having been somewhere about 5,000 *l.* on the average.

1373. Mr. *Liddell* (to Sir *W. Dunbar*).] Did you require any explanation of this excess of 2,769 *l.* 8 *s.* 8 *d.*?—No, we did not.

1374. Mr. *Pollard-Urquhart* (to Mr. *Foster*).] Considering that the deficiency would have been so large as about 3,300 *l.*, should you not say that it required rather more explanation than is given here in explaining the deficiency under Sub-head H.?—I think a fuller explanation might have been given; the only excuse is, that it is the first time that this Appropriation Account has been in operation, and no doubt in future years the account will be more accurate and better explained.

1375. It was thought better to divide the deficiency under these two heads, "Legation Guards," and "Incidental Expenses," than to have a very large deficiency under one head?—No; I do not think that that was the reason; I think it was thought desirable not to show the cost of Legation Guards as being less than it really was, but to put it all under one head.

1376. In short, we may regard it as a sort of irregularity incidental to the transition state of the accounts?—Yes; I think so.

1377. Mr. *Liddell* (to Sir *W. Dunbar*).] Are these the reasons which explain why the Audit Office did not call for explanations of this excess?—We do not take any notice of the explanation given by the accountant; the fact is, when the expenditure falls obviously within the intention and meaning of the Vote, we do not think we have a right to question it. It is a matter which then falls within the proper administrative functions of the Treasury, and not of the Audit Office.

1378. Mr. *Fowler.*] You mean that it is not a question of account at all?—Just so.

1379. Mr. *Sclater-Booth* (to Mr. *Foster*).] Will you give me an explanation of this note, which says "A sum equal to one-third of the charge for diplomatic and consular services in China is contributed from Indian revenues"; does that mean one-third of the expenditure, amounting to 122,000 *l.* odd, or is it one-third of the grant?—It is for China only.

1380. *Chairman.*] Is the sum contributed from the Indian revenues included in the Extra Receipts realised in the year 1868-9, and paid over to the Exchequer?—It is paid as a contribution, and comes in as revenue.

1381. Mr. *Sclater-Booth.*] Does the Indian Government get the advantage of their proportion of the extra receipts which ought to go in diminution of the amount they would contribute?—I believe they do not.

1382. *Chairman.*] Do they pay one-third of the gross charge, or one-third of the charge after deducting the extra receipts?—I do not think the extra receipts are taken into account.

1383. Mr. *Sclater-Booth.*] That is hardly fair, is it?—Perhaps not; but the whole amount of extra receipts were not received in China, only a portion of them.

1384. *Chairman.*] They probably will claim it in future now that their attention has been called to it by these questions?—Very likely.

1385. Mr. *Stansfeld.*] With regard to Sub-head F. in this Appropriation Account for the year 1868-9, can you tell us whether Major Crossman prepared the Estimate of 8,200 *l.* against which the expenditure was 11,798?—Major Crossman is solely concerned with the expenditure. The Foreign Office prepare the estimate of what that expenditure will be, and it would rest with them to ascertain as well as they could what the expected expenditure was likely to be.

1386. (To Mr. *Vine.*) Have you before you the Statement of Excesses for the year 1868-9?—I have.

1387. Referring to Vote 6, in Class 5, "China, Japan, Siam, Services in," I find the excess which we have before us upon this Appropriation Account; and then I find that there were accumulated excesses in 1864-5, in 1865-6, in 1866-7, and in 1867-8 amounting to 58,443 *l.* 11 *s.* 11 *d.*?—Yes, it is so.

1388. Those sums were voted by Parliament, were they not, to square the account at the beginning of this year?—They were.

1389. Can you explain to the Committee shortly, how it is that during all those years, including the year 1868-9 the difference was so considerable between the grant and the expenditure?—It arose from the Estimates being badly framed; no accounts were rendered of the whole of the expenditure in China, Japan, and Siam classified in proper form, and very large excesses, indeed, fell upon the item of "Incidental Expenses."

1390. For one thing this year, 1868-9, was the first year of the Appropriation Audit, was it not?—Yes.

1391. And am I right in saying that this is the first year in which the accounts have been absolutely brought to a balance and closed?—Yes, except by this process of going back from the year 1864-5. And I may state with regard to the account for the year 1868-9 that I do not think there was sufficient information before the Foreign Office when they framed the estimate, and I believe that for the subsequent years they have taken steps to obtain better information so as to enable them to form a better estimate for the future.

1392. May not the irregularity of these estimates be also partly accounted for by this fact, that the expenditure was met in running account from the Treasury Chests at those outlying stations?—Yes, it was so.

1393. So that neither for the purpose of the Appropriation Account, nor for any other purpose was the account of each year finally closed within the year?—It was not, and as the claims of the Treasury Chest did not come in until the subsequent year, the account never could show the actual state of expenditure for any given financial year.

1394. Mr. *Pollard-Urquhart* (to Sir *W. Dunbar*).] With regard to the incidental expenses under

under Sub-head H, I see these incidental expenses include the sum of 117 *l.* 0 *s.* 11 *d.* for freight of specie, and the question arises in your opinion whether that sum had not better be charged to the Treasury Chest, do you still adhere to that opinion?—I have merely suggested this for consideration, I have expressed no absolute opinion upon it.

1395. *Chairman* (to Mr. *Foster*).] What do you say to the suggestion?—I think when the cost of the freight of specie is incurred in connection with the Treasury Chest generally, it is quite fair that it should go to that Vote; but where it is incurred for other departments, I think the other departments for whose accommodation the cost is incurred should bear it. If the specie is sent for army purposes, we look to the War Office to pay the cost of remitting it; if it is for consular services, we look to the consular service to pay for it.

1396. Mr. *Pollard-Urquhart.*] I suppose you adhere to the opinion given at page 322?—We do.

1397. (To Sir *W. Dunbar.*) Do you acquiesce in the opinion given by the Lords of the Treasury at page 322?—I merely threw out the point for consideration. I said before, that I had no very decided views upon the subject.

1398. (To Mr. *Anderson.*) You see the opinion expressed in the Treasury Minute upon the point which the Comptroller and Auditor General threw out for consideration; do you coincide with that opinion?—It is a matter of very small importance. If it is clearly shown in the Estimate where the expense is provided for; that is all that the Comptroller and Auditor General can require. I must, however, observe that the charge for freight of specie is not provided for in the separate Estimates of the different departments, but in one Estimate for all services.

1399. Mr. *Liddell* (to Mr. *Foster*).] Are the payments to the Treasury Chests in these various Oriental consulates always made in specie rather than by bills?—The Treasury Chests are sometimes replenished by bills drawn upon the Treasury, and sometimes by specie remittances.

1400. There is no specific rule, then?—None beyond this; that we watch and see which will be the most advantageous arrangement. It depends upon the rate of exchange. If the rate of exchange is favourable, we authorise the officer to draw bills. If he telegraphs to state that the rate of exchange has gone down very much, we take measures to ship specie.

On Vote 7.

1401. Lord *F. Cavendish.*] The Comptroller and Auditor General suggests on Sub-head N., which consists of pensions to the amount of 251 *l.* 11 *s.* 10 *d.*, that it might be desirable to transfer this item of expenditure to Class 6, "Superannuation and Retired Allowances;" do you agree with that recommendation?—I think it would be extremely inconvenient. They are not pensions payable in this country; they are payable at the different Courts where the ministers reside, and I think it is best that the officers who pay the pensions should account for them.

1402. Mr. *Pollard-Urquhart.*] I see an additional Sub-head I., was introduced, which was not in the original Estimate; should you not say that it was a dangerous precedent to introduce any sub-head not included in the original Vote, however small the expenditure under that sub-head may be?—I think it would be impossible, in some cases, to avoid authorising an expenditure not specifically referred to in the Estimate; and where it is necessary to incur expenditure not authorised under a sub-head, it is desirable to show it, if it is anything new, under a new sub-head.

1403. Mr. *Stansfeld.*] In fact, the insertion of a new sub-head indicating the cause of expenditure is rather an additional explanation to Parliament than anything else?—It is a clear explanation to Parliament of what the cause of that expenditure is. The expense would have to be incurred under any circumstances, and it might have been hidden under "Incidental Expenses"; but it is dealing more openly with Parliament to set it forth under a fresh sub-head.

1404. Mr. *Pollard-Urquhart.*] You think it is better to insert a new sub-head rather than to put down the expenditure under "Incidental Expenses"?—Yes, I think it is more candid to do so.

1405. Mr. *Stansfeld.*] This was a particularly suitable instance in which to insert the sub-head, as I believe in former years there had been such a sub-head, had there not?—Yes; in nearly all the Estimates there is a sub-head for "furniture"; and therefore as the expenditure had been incurred, it seemed right to put into this Vote a sub-head which exists in most others of a similar nature.

On Vote 8.

1406. *Chairman.*] I see that the salaries of the governors, paid in the course of the year, sometimes include five quarters, and sometimes less than four; there is an irregularity, is there not, in paying five quarters' salary within the year?—It is sometimes unavoidable, as the bills which are drawn in distant colonies for the payment of the salaries may be one year much longer in reaching this country than they are in another; and as the date of payment regulates the charge, it naturally will occur sometimes that a bill which should have arrived before the 31st of March is delayed until after that date, and appears against the account in the following year.

1407. Mr. *Seely.*] Are all the salaries due on the same day?—Usually they are due on the quarter days ending the 31st of March, the 30th of June, the 30th of September, and the 31st of December; but since the introduction of the payment of salaries in the United Kingdom monthly, to a considerable extent, in order to relieve the Pay Office of the great pressure which would arise at the close of each quarter, it has been found convenient to make certain of the salaries due and payable at different dates in the third month of the quarter. Some are paid now on the 15th of March, some on the 18th, and on different days up to the last day of the quarter. That is purely in order to facilitate the payment as regards the duties of the Paymaster General.

Mr. JOHN SAYER LEWES, called in; and Examined.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Lewes.*

15 June 1870.

1408. Mr. *Fowler.*] CAN you give any further explanation of Sub-head R. "Passages of Governors and other Colonial Officers," beyond that which is given in the Appropriation Account, which is very vague; it says that the expenditure of the year, which had been estimated at the same amount as in 1867–8, proved to be unusually large?—The cause of the excess I believe to have been imperfection in the Estimate, which was apparently based on that of the previous year. It is very difficult to foresee what payments of this nature will occur in the course of a year; a governor may die, or it may be desirable to recall him, or, for other reasons, it may be necessary to send out a fresh governor. This is the actual expenditure incurred within the year. In the subsequent Estimate care has been taken to forecast as far as possible the changes in the various colonial governorships, and to put down on the Estimates just what they will cost, with a margin for contingencies of the death or of the recall of a governor.

1409. Mr. *Seely* (to Mr. *Foster*).] I see upon Sub-head I., the Comptroller and Auditor General observes that 431*l.* 7*s.* 10*d.* is not properly chargeable to the Vote, and that the balance which ought to be surrendered should be 8,435*l.* 19*s.* 4*d.*, instead of 8,204*l.* 11*s.* 6*d.*; have you any observations to make upon that?—It is in some respects a small matter, but it involves, I think, a very important principle. The grant of Parliament is a grant in aid of the expenditure in certain Colonies; amongst these grants there is one in aid of the Virgin Islands of 3,000*l.* Parliament granted this sum in aid of the Virgin Islands in consequence of a violent hurricane, which had swept away the huts of the negroes, and had destroyed some of the public buildings. There was great distress in the islands; the people were starving; there was no revenue to be obtained by taxation; the public buildings were partly destroyed, and Parliament granted 3,000*l.* in aid of the Colony. The first thing that was done was to supply medicines and assistance to the people who were starving, and the Treasury authorised the Colonial Office to pay the bill that was incurred for that purpose. The Audit Office, I think a little inconsistently, did not raise any final objection to that expenditure, although there was no proof as to who were the people to whom the money was paid. They admitted the receipt of the one bill for the medicaments as final and sufficient. Further distress in the island arose from the damage to huts and buildings. The Government of the island was quite unable to relieve the people in this respect, because there was no revenue to be obtained, and it was, in the judgment of the Treasury and the Colonial Office, desirable to place the Government in a position to aid the people whose dwellings had been destroyed, and to repair the public buildings; accordingly, in the discretion of the Treasury, they authorised a sum to be issued to the governor, to aid him in this work. The Audit Office take exception to this payment, and state that it was a misappropriation of money. I believe the ground of that view on their part is, that the explanation in the Appendix to the Estimates (Part III.) mentions that it is to repair damages occasioned by the hurricane. All I can imagine that they intend by their objection to do, is to insist that the Treasury or the Colonial Office should either have repaired the damage, or have taken vouchers to prove that the damage was repaired. It appears to me that that is interfering with the administration of the executive, and that it amounts to stating that the Treasury was not discreet in repairing the damage done by the hurricane in the way they did. I think that if the Comptroller and Auditor General had a right to interfere, and to say what was the right mode of spending money to repair the damage, it would interfere with the responsibility of the Executive Government, and the Comptroller and Auditor General would have to bear a share in that responsibility. I think it would be desirable to come to a clear understanding that the mode of repairing damage or aiding a Colony should be left to the discretion of the Executive Government. The explanation which is given in detail in the Appendix was added by the Treasury itself, as an explanation of the original cause of the expense, namely, the hurricane; but the grant by Parliament is a grant in aid of the expenditure of the Virgin Islands, and I think the Comptroller and Auditor General was going beyond his province, and taking a share in administrative responsibility, when he went into the question as to the mode in which that aid should be given.

1410. (To Sir *W. Dunbar.*) You have heard what Mr. Foster says; have you any explanations to offer upon his statement?—Yes. Mr. Foster has referred to certain strictures made upon proceedings of the Comptroller and Auditor General, which are contained in the Treasury Minute. I will, with the permission of the Committee, reserve what observations I have to make upon that point for a future stage. I propose in this case to deal simply with the principle of the question.

1411. *Chairman.*] Will you give us your explanation of this paragraph in your Report: "Of the expenditure under this sub-head (Sub-head I., Virgin Islands), amounting to 641*l.* 17*s.* 11*d.*, to repair damages occasioned by the hurricane, satisfactory vouchers of the application of 210*l.* 10*s.* 1*d.* only have been furnished to this department; the difference of 431*l.* 7*s.* 10*d.* is, therefore, not properly chargeable to the Vote;" what was the nature of the vouchers that were offered to you with regard to the expenditure of this 431*l.* 7*s.* 10*d.*?—The vouchers offered to us were insufficient; they were imprests. The sums appear as advances upon the account of the accountant. There were no vouchers that could substantiate a payment, and, in the exercise of the duties which I had to perform on behalf of Parliament, I rejected this sum of 431*l.* 7*s.* 10*d.* on the ground of its not being properly and sufficiently vouched.

1412. (To Mr. *Foster.*) What have you to say to that; under the Exchequer and Audit Act an imprest is not to be taken as a voucher, is it?—Certainly not; but vouchers satisfactory to the Audit Office have been supplied for everything except 250*l.*, which was paid as a final payment to the governor of the Colony. I believe the whole question rests upon the 250*l.*, which was a contribution to the governor, in aid of the revenue of the island, to meet the disaster occasioned by the hurricane, and not an imprest.

1413. What was the nature of the voucher with

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Lewes.*

15 June 1870.

with regard to that 250*l.* which was supplied to the Comptroller and Auditor General?—It was the receipt of the governor; it was his bill. (Sir *W. Dunbar.*) Allow me to explain to the Committee, that one of these sums was an imprest; and as regards the other two sums the vouchers were not satisfactory. The Committee will better understand this question if I refer to what actually took place between the two departments. These are the printed regulations of the Colonial Office. "Funds derived from Imperial grants in aid of local revenues. In any cases in which money has been voted by Parliament for specially named colonial services, documentary evidence must be furnished that the money has been applied to the particular service for which it was voted; on this point special instructions will be given to the governors concerned." These are instructions issued by the Colonial Office to their sub-accountants. In accordance with this regulation, a Colonial Office Letter, dated the 25th May 1868, remarks generally that when sums are voted by Parliament for particular colonial services, the Comptroller and Auditor General may possibly think, with reference to the 24th section of the Exchequer and Audit Departments Act, 1866, that receipts for monies paid out of the grant into the Colonial Treasury do not constitute evidence sufficient to enable the Secretary of State to treat the transactions as final payments. That is a suggestion coming from the Colonial Office itself. The answer of the Audit Office was in a letter of the 29th of May 1868. The Colonial Office was informed that the Comptroller and Auditor General was of opinion that the "expenditure for particular colonial services" should be supported by documentary evidence that the money issued on account of the grant has been applied to the purposes for which it was granted. The Colonial Office, on the 16th June 1869, invites the Comptroller and Auditor General's attention to Sub-head I. of the Vote for 1868-9, for grants in aid of expenditure in certain Colonies (Civil Services, Class V., Vote 8), in the details of which, appended to the Estimate, "Parliament was informed" that it was intended to "repair damages occasioned by the hurricane," and states that the object of the letter is to ascertain whether a certificate which had been forwarded to the Colonial Office afforded sufficient evidence of the due application of the sum covered by it. In my answer of the 23rd June 1869, the Colonial Office was informed that the Comptroller and Auditor General did not consider that the document contained sufficient proof of the due application of the money granted by Parliament, and returned the document with an intimation that he would be glad to be furnished with a statement showing the heads of expenditure in respect thereof. With reference to the preceding correspondence (paragraph 3), a letter was received from the Colonial Office, dated the 18th September 1869, requesting to be informed whether the Comptroller and Auditor General would be satisfied with a statement signed by the Colonial Auditor, and countersigned by the Governor in Chief, showing the expenditure under several heads, accompanied by a certificate signed by the Colonial Treasurer and Governor, that the expenditure shown in the statement had been defrayed from funds drawn from the Parliamentary Grant "for the repair of the damages occasioned by the hurricane, so far as the funds allowed." The Committee will observe that throughout the whole of this correspondence the Colonial Office assumes that that money was intended exclusively for the repairs of damages occasioned by the hurricane. The Audit Office Letter of the 23rd September 1869, in reply to the above, states that it appears to the Comptroller and Auditor General, under the circumstances, that the documents prepared in the forms specified would be sufficient to satisfy him of the due application of the grant. As it was understood that directions had been given by the Colonial Office that these documents should be furnished, early in January 1870, personal inquiry was made at the Colonial Office as to whether it was likely that they would be received before the Comptroller and Auditor General made his report on the account; and it was then ascertained that there was no chance of their being received at the Colonial Office in sufficient time. The Report of the Comptroller and Auditor General was accordingly prepared, and the accountant was informed by "Query or Observation," No. 29, dated the 19th January 1870, that, in the absence of evidence that the sum of 431*l.* 7*s.* 10*d.* had been expended in repairing damages occasioned by the hurricane, the amount had been reported to Parliament as not being properly chargeable to the Vote. Now, the Committee will observe that a correspondence took place upon this subject between the Colonial Office and the Audit Office, it being in the view of both Departments that the 3,000*l.* voted specifically for the repairs of damages done by the hurricane should be applied to those purposes. It would appear that when the Appropriation Account was rendered, the vouchers which the Colonial Office agreed to produce were not rendered with the account. I am informed that application was made to the Colonial Office with reference to these vouchers, and that they considered that they could not be produced in time; I therefore had no alternative, under the circumstances, but to report that in consequence of their not being sufficiently vouched, these sums could not be charged against the Vote. It was not my duty, it was a mere matter of courtesy on my part, to communicate with the Colonial Office after I had made my report that there were certain expenses which had been disallowed. It must be obvious to the Committee that after the accounts are rendered there would not be time for the Comptroller and Auditor General, if he were so disposed, to enter into negotiations and correspondence with the several departments as to the items in the accounts after they had been rendered simply for report. As I stated, on the 19th of January 1870 an intimation was made to the Colonial Office that the sum of 431*l.* 7*s.* 10*d.* had been reported as not being properly chargeable to the Vote. With the reply to the foregoing observation on Query No. 29, paragraph 5, dated the 3rd February 1870, vouchers were transmitted for expenditure (that is after the account had been reported upon), amounting to 181*l.* 7*s.* 10*d.*; and the Colonial Office Letter to the Treasury of the 19th of October 1868, and the Treasury Letter in answer thereto were also produced. Now, in the Colonial Office Letter of the 19th of October 1868, with reference to a sum of 250*l.* which had been advanced by the Admiralty in aid of colonial revenue, the Colonial Office ex-

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Lewes.*

15 June 1870.

presses itself thus: "As the sum which has been granted by Parliament is to repair damages occasioned by the hurricane, a contribution to the colonial revenue might be viewed as not coming strictly within that description." In reply to the Colonial Office Letter, I allowed the two sums constituting the total of 181 *l.* 7 *s.* 10 *d.*, and I disallowed the 250 *l.*, as not having been specifically applied to the purpose for which it was voted, and as being in the view, even of the Colonial Office itself, a very doubtful expenditure to be incurred by them. As I stated before, we had no means of ascertaining what purposes this 431 *l.* 7 *s.* 10 *d.* had been devoted to; and it was obviously my duty, when the Appropriation Account was rendered without the vouchers necessary to substantiate those payments, to disallow them until the proper vouchers were produced.

1414. Mr. *Pollard-Urquhart.*] Then your objections to those payments were of a very different nature to that which we were given to understand just now, namely, that you thought the money might have been better applied?—I state that I disallowed the items constituting the sum of 431 *l.* 7 *s.* 10 *d.*, because satisfactory vouchers had not been produced. That is in strict exercise of the powers conferred upon me, and indeed the duties required of me, by the Act of Parliament. When the vouchers were produced I considered that two of them might be allowed; the third could not be allowed, as I considered, even according to the view of the Colonial Office itself, who thought it necessary to apply to the Treasury for leave to apply the sum of 250 *l.* in aid of the Colonial revenue, which sum appeared to have been intended to be specifically applied to the damages done by the hurricane. This opens up a very much wider question than the simple disallowance of this amount. In the view of Mr. Foster, the Treasury was entitled to authorise the sum of 250 *l.* to be applied in aid of local revenues, because that was the general heading of the second part of the Vote; the general heading of this particular sub-head. I have already pointed out that the Colonial Office did not themselves take that view of the matter, nor can I admit that the Comptroller and Auditor General should confine himself to this very limited view of the question. If this had been a grant simply in aid of the Colonial local revenues, it would have been stated just as the grants in aid of the local revenue for Gambia, the Gold Coast, Lagos, Heligoland, the Falkland Islands, and Labuan are stated. The Committee will observe that that heading, "in aid of Colonial Local Revenues," is a general description, and as such it was correct, but there are some items which are specifically described. If the Committee will look at "Bermudas," they will see that there is included "the salary of the governor, part of ditto of chief justice, part of ditto of Colonial Secretary," making a total of 2,500 *l.* If, in consequence of the death of the governor or of any other officer, 1,000 *l.* had been saved, would it have been alleged that it was competent for the Treasury to apply that saving of 1,000 *l.* in aid of local revenues? Here is a specific application of 2,500 *l.* to the payment of the governor's and other salaries, and if the Treasury had the power, which they claim to have in this case, of appropriating a part of 3,000 *l.*, which is specifically appropriated in aid of local revenues, so also would they have in the case of the salary of the Governor of Bermuda. But there is another case here, that of St. Helena, for which a sum is voted "in order to assist the Colony in difficulties occasioned by a very general destruction of the public and private buildings by the white ant." Now I admit that, if the definition of the expenditure in the case of the Virgin Islands had been the same as that, the sum would have been paid over to the governor without any further inquiry. But the Committee will observe that here there is a very special description, a specific appropriation to the repair of damages occasioned by the hurricane. I therefore came to the conclusion that what was good for a part would be good for the whole, and that, according to their contention, the Treasury might have applied the whole 3,000 *l.* in aid of local revenues. I could not hold that that would have been a proper appropriation of the money so voted by Parliament.

1415. *Chairman* (to Mr. *Lewes*).] What have you to say upon this point?—It is necessary to go back a little, and to point out to the Committee, first, that the Colonial Office being new to this work, and wishing to render accounts in every respect to the satisfaction of the Comptroller and Auditor General, consulted him at the outset as to the form of voucher which he would be satisfied with.

1416. Mr. *Pollard-Urquhart.*] At what period was that?—The Colonial Office took up these accounts at the beginning of 1868-9; they rendered no account before that; the department was therefore new to the work.

1417. When did you ask the Comptroller and Auditor General as to the form of voucher which he would be satisfied with?—We communicated with the Comptroller and Auditor General, and said, "What description of evidence will you require, first, in the case of grants in aid of local revenue; and secondly, in the case of grants that Parliament intends to be applied to specific purposes?"

1418. My question was, when you asked that?—We asked in May 1868, having commenced the account in April 1868. The reply of the Comptroller and Auditor General was that he would accept a certificate from the colonial authorities that the money voted in aid of colonial local revenues had been carried into the local chest; but that as regarded money voted for particular services, he would require documentary evidence that the money issued on account of the grant had been applied to the purposes for which it had been granted. He said he would require "documentary evidence," but that phrase was not very definite, and we wrote to the Government of the Virgin Islands asking them to certify not only that the money had been carried into the local chest, but that it had been applied to the repairs of the damages occasioned by the hurricane. We wanted to meet the views of the Comptroller and Auditor General. Besides that, we hoped to receive accounts which would prove this expenditure in the ordinary way; but as complete accounts did not arrive, we wrote subsequently to the Comptroller and Auditor General to know whether the certificates we had obtained would suffice for his purpose. He replied that they would not suffice. Thereupon we wrote again to propose something that would meet his views, and, it is essential to bear in mind, that in that letter we specifically said that we had already finally paid in this country 641 *l.* 17 *s.* 11 *d.*, which

is

Sir *W. Dunbar.*
Mr. *Foster.*
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Mr. *Lewes.*

15 June 1870.

is the sum appearing in the Appropriation Account. We sent a schedule of the payments at the same time, containing the very sums which are now objected to by the Comptroller and Auditor General, and we said that the balance of 2,358 *l.* odd, which, with the exception of less than a sovereign, had been advanced to the Colonial Government, was all that remained to be accounted for. We never thought that he would apply his rule to money which had been spent in this country. The 250 *l.* was not treated as an imprest. It had been advanced by the captain of a man-of-war. The devastation occasioned by the hurricane having caused very great distress, the people were not able to pay their taxes. The local Government gave some of them provisions, the charge for which the Comptroller and Auditor General has admitted, and at that time of great distress it relieved the people of a particular tax. Then, in order to meet the loss thus caused to the colonial revenue, it applied this 250 *l.* out of the proposed grant; it added it, in fact, to the colonial chest. This money was supplied by the captain of a ship-of-war. The amount was claimed from us by the Admiralty. We obtained a certificate that this money had been carried to the credit of the colonial revenue, and the claim was paid. We never thought that the Comptroller and Auditor General would consider that as coming under the category of payments which were open to question. We said, in our communication to him, that it had been paid finally in this country, and that the balance was all that remained to be accounted for. We construed the answer of the Comptroller and Auditor General as applying to the balance and not to what had been so spent. As our vouchers to which he has demurred had been with him for so long a period, we should have anticipated that before our Appropriation Account was rendered he would have given us an opportunity of explaining the facts. The sum of 431 *l.* 7 *s.* 10 *d.* noticed in the Comptroller and Auditor General's Report consisted of three amounts, two of which we repaid to the Treasury in February 1869, and the last, this amount of 250 *l.*, we repaid to the Admiralty in June 1869. As these vouchers were all in the Audit Office by the end of August 1869, we should have hoped that before his report was made in January 1870 the Comptroller and Auditor General would have given us an opportunity of amending or of supplementing those vouchers which he had already had before him.

1419. Mr. *Pollard-Urquhart.*] If I understand you rightly, this 250 *l.* was applied in paying to the Colonial Government what would otherwise have been a bad debt?—Yes, it made good the loss of colonial revenue. Some of the people were relieved by grants of provisions: beef, pork, and peas; others were relieved in the remission of taxes. The cost of the beef, pork, and peas has been admitted as a charge against the Vote, and we consider that the remission of taxes should be also admitted as a charge against the Vote.

1420. It is rather of the same nature as the charge made against the Irish landlord, at the time of the famine, of applying the relief which was given for the distress towards paying their rents, is it not?—I do not see the analogy at the moment.

1421. Mr. *Liddell.*] Was the whole of this 3,000 *l.* voted by Parliament to meet losses incurred by the hurricane?—I presume that that was the intention of Parliament in granting it. I may mention that the expenditure had, in fact, in a great measure been already incurred. The hurricane took place in the autumn of 1867. The expenditure had mostly been incurred, at least the expenditure which is now objected to had been incurred, when the sum was voted.

1422. Then the Vote was based upon an estimate furnished from the Colony of the amount of the losses incurred?—I believe the Vote arose out of a correspondence between the Colonial Department and the Treasury, in which the Treasury arrived at that amount.

1423. Then I want to understand, if the grant by Parliament, based upon an estimate furnished from the Colony was 3,000 *l.*, how it turned out that the expenditure was only 641 *l.*?—The reason of that is that we were unable to charge, within the financial year, more than 641 *l.* against the Vote. As I explained to the Committee, we had obtained what we hoped to be satisfactory vouchers to the Audit Office, and had charged these as final payments. The outstanding amount consists of imprests we had made to the Colonial Government, intending that the Colonial Government should render us vouchers which would satisfy the Audit Office. We hoped to get accounts of the expenditure, and when the accounts did not come we thought it well to ask whether, as regarded not only the amounts which had been applied in aid of the colonial revenue, but as regarded the amount which had been applied in repair of damages, the Audit Office would be satisfied with what we could produce: but no question was raised, in fact, in the correspondence about the amounts which we had already charged finally against the Vote, as we told them at the time.

1424. Are we to understand you that the whole of that unexpended balance will come in course of payment in the year following that, the accounts of which we are now considering?—We are hoping now daily to get from the Virgin Islands documents to enable us to charge it against the Vote. Parliament has granted a Vote to meet it.

1425. Mr. *Egerton.*] Is the amount voted in this year's Estimates?—Yes.

1426. What is the amount?—I believe the exact deficiency was voted this year on a Supplementary Estimate for last year.

1427. Lord *F. Cavendish.*] Do I rightly understand you to say, with respect to the items amounting to 431 *l.* 7 *s.* 10 *d.*, that you had no information that any objection was taken to them until after they had been disallowed?—We had no reason whatever to suspect that the Comptroller and Auditor General objected to our documents until January 1870.

1428. *Chairman* (to Sir *W. Dunbar*).] As I understand your point, it is this; that you are not to look to the general heading of the Vote, but you are to look to the sub-head as showing the intention of Parliament with regard to the purpose to which Parliament intended that the money should be applied?—Yes, that is my view. My view is that I am entitled to look at the whole Estimate as laid before Parliament.

1429. Do you say that that amount would not have been accounted for under the sub-head of "Virgin Islands;" do you say that there was no sub-head under which it could be accounted for?—No; I say that it should be accounted for under the sub-head in which the Virgin Islands are included.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Lewes.*

15 June 1870.

1430. "Virgin Islands" is a sub-head of itself?—Yes.

1431. If you look at the Estimate, you will see that the general heading of the Vote is "Estimate of the Amount required in the Year ending 31st of March 1869, in Aid of Colonial Local Revenue, and to defray the Salaries and Allowances of Governors, &c., and other Expenses in certain Colonies;" and then follows "Sub-heads under which this Vote will be accounted for;" after going through the others, you come to "I. Virgin Islands"?—Yes, and then you find the explanation of it "to repair damages occasioned by the hurricane."

1432. You say that that Vote is restricted by the explanation given of the sub-head to the repair of damages occasioned by the hurricane?—Yes.

1433. Is that under the terms of the Exchequer and Audit Act?—Yes.

1434. (To Mr. *Anderson.*) Will you refer to the section of the Act which obliges you to limit the sub-head to that particular object, "to repair damages occasioned by the hurricance"?—The 27th section of the Act directs the Comptroller and Auditor General to ascertain "whether the money expended has been applied to the purpose or purposes for which the grant was intended to provide." He cannot ascertain the purpose without looking at these details. And by the 32nd section of the Act the Comptroller and Auditor General is required to report upon the account for the information of Parliament, and in his report he is bound to "call attention to every case in which it may appear to him that any payment was for any reason not properly chargeable against the grant." Inasmuch as the details of expenditure in the explanatory part of the Estimate show what are the purposes for which the grant is intended to provide, the Comptroller and Auditor General must examine the account with reference to those details, in order to satisfy himself that the charges are for the purposes contemplated by Parliament. That is the view of the Comptroller and Auditor General.

1435. Mr. *Seely.*] But might you not justly suppose that the money having been granted to alleviate distress, it might properly be applied to the remission of taxes by being carried into the local chest?—The Treasury may take that view if they please. All the Comptroller and Auditor General states is that the explanation given in the Estimates does not extend the grant to those purposes. He makes the observation for the information of Parliament, as he is directed to do under the Act. But because he makes that observation upon it, it is not necessarily an objection. He calls the attention of Parliament to the matter, in order that Parliament may institute inquiries if it thinks proper.

1436. *Chairman.*] You have referred to the 27th section of the Exchequer and Audit Act, and you say that in the examination of the accounts, according to that section the Comptroller, and Auditor General is directed to ascertain, "whether the money expended has been applied to the purpose or purposes for which such grant was intended to provide"?—Yes.

1437. What are you to look to in order to see what was the intention of Parliament in making the grant?—To the explanatory part of the Estimate, because the sub-heads given in the Estimate are frequently expressed in very general terms. It would be impossible to ascertain what the purposes of the grant were without looking to the details.

1438. You say you must look at the detailed explanation to see the intention of Parliament?—Yes.

1439. Then if there is anything not mentioned in that explanation, you say that it ought to be excluded from any charge against the Vote?—No, I do not say that it ought to be excluded; I say that it is the duty of the Comptroller and Auditor General, in reporting on the account, to call the attention of Parliament to it, not necessarily to object to it, but to call attention to it.

1440. Mr. *Stansfeld.*] But if you look at the Report of the Comptroller and Auditor General in paragraph No. 3, you will find that he not only calls the attention of Parliament to it, but states distinctly that "The difference of 431 *l.* 7 *s.* 10 *d.* is therefore not properly chargeable to the Vote."—Yes, because there was no explanation whatever in the explanatory part of the Estimate that would have led him to suppose that Parliament contemplated that appropriation of the money.

1441. But I understand you to say that the Comptroller and Auditor General was directed and authorised by the Exchequer and Audit Act to draw the attention of Parliament to any expenditure which did not appear to have been contemplated by Parliament, looking not only to the Votes themselves, but to the explanations attached to those Votes in the sub-heads?—Yes, certainly.

1442. But I should not be correct, I imagine, in interpreting you as meaning that the Comptroller and Auditor General would be justified necessarily in disallowing any such expenditure; a Vote, I take it, is a thing quite distinct from a sub-head?—In this particular case the disallowance was made on the ground of defective vouchers.

1443. That is another question altogether, but as far as appropriation is concerned, what has to be regarded is the Vote, is it not, and not the sub-heads, upon the Estimates?—The Treasury have the power, no doubt, of exceeding upon the sub-heads, but the expenditure which they include under the sub-heads should be clearly expenditure contemplated by the Estimate.

1444. The Treasury, for instance, has the power of creating a new sub-head?—It has done so in numerous cases.

1445. It has the power of sanctioning expenditure which seems to be justified by the general Vote, and of creating a new sub-head under which to charge it?—Yes, the Treasury has that power.

1446. Does not it follow from that, that any statement upon the face of the Estimates of the sub-heads under which the Vote will be accounted for, together with the explanations appended to these sub-heads, are for the sake of explaining the Estimates, and are not to be taken as absolutely defining the limits of the expenditure by those sub-heads and by those explanations?—They do not limit the amount applicable to each of the sub-heads in the account, but the expenditure should fall within the description given in the explanatory part of the Estimate.

1447. Should it fall within the explanation attached to the sub-head?—It should fall within the description given in the Appendix to the Estimate. For instance, in this particular case the

the explanation states that the money is required to "repair damages." That is placed in the Estimate under a distinct heading, and is not in the same form as the rest of the Estimate, which says that the money is required in aid of the colonial revenues. If the money voted is applied differently from that special appropriation described in the Estimates, I think the Comptroller and Auditor General is bound to draw the attention of Parliament to it.

1448. Are you of opinion that if the expenditure did not fall strictly within that explanation attached to the sub-head, it could not be charged against the Vote?—I think that in this case Parliament intended to make a special appropriation of that sum, and that the Comptroller and Auditor General is bound to see that that appropriation is adhered to.

1449. I understand your opinion to be, that Parliament intended this money to be expended directly in repairing damages occasioned by the hurricane; but as a matter of fact, Parliament granted that sum in aid of the expenditure in certain Colonies; those are the terms of the grant of Parliament?—That is part of the grant of Parliament, but there are three cases, I think, in that Vote in which Parliament has made a special appropriation of the sum voted. There is a general appropriation in aid of the local revenue, under six heads, but as regards three Colonies there is a special appropriation. As regards the Bermudas, the grant is to be specially applied to the salaries of the governor, the chief justice, and the colonial secretary. In regard to St. Helena, it is to be applied to assist the Colony in the difficulties occasioned by the destruction of the buildings by the white ant. And with regard to the Virgin Islands, there is a special appropriation to the repair of damages occasioned by the hurricane. Now the Comptroller and Auditor General, being bound to look to the intention of Parliament in granting money, ought to see that the money has been applied to those special purposes.

1450. But do you think that, supposing the money had been expended for a different object than that for which it had been the intention of Parliament to provide, under no circumstances would it be properly chargeable against the Vote? — If the money is applied to purposes which are not contemplated by the Vote, the Comptroller and Auditor General is bound to call the attention of Parliament to that circumstance.

1451. No one disputes that he is bound to call the attention of Parliament to it; under the 27th section of the Act he is bound to ascertain "whether the money expended has been applied to the purpose or purposes for which such grant was intended to provide;" granting that he has ascertained that not to have been the case, and reported upon it, the question is this: ought the money so spent to be rejected as a charge against the Vote if it is covered by the terms of the Appropriation Act?—If it is covered by the terms of the Vote I do not think it should be rejected.

1452. Will you be good enough to attend to my expression, "if it is covered by the terms of the Appropriation Act?"—But the terms of the Appropriation Act are so general that they cannot reach these descriptions. The terms of the Appropriation Act are simply these: "Grants in aid of Expenditure in certain Colonies," but the intended application of some of that expenditure is specially described in the explanatory part of the Estimates.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Lewes.*

15 June 1870.

1453. What I want to know is this; is the intention of Parliament to be gathered from the terms of the Appropriation Act, or is it to be gathered from the details of the Estimate? — From both.

1454. But you say that the terms of the Appropriation Act are limited by the expression in the details of the Estimate?—The general heading in the Appropriation Act, of course, is intended to embrace all that the Vote provides for.

1455. Is it a misappropriation if it is covered by the terms of the Appropriation Act?—I do not say that it is a misappropriation. It may be the duty of the Treasury to vary the sub-heads if they think proper, but it is the duty of the Comptroller and Auditor General to point that out.

1456. The two questions are perfectly distinct, namely, as to whether it is the duty of the Comptroller and Auditor General to report upon money as having been applied outside the intention of Parliament, and whether it is his duty to reject it when it has, in his opinion, been so applied?—He is bound to object to any charge against a Vote which he thinks the Vote was not intended to provide for.

1457. What do you mean by "the Vote" in that case?—The Vote as explained by the Estimate; I look upon the detail of the Estimate as merely explanatory of the grant; it is only from that detail that the Comptroller and Auditor General can gather the intentions of Parliament.

1458. Do you say that an expenditure for any object which was not contemplated when the Act was passed is illegal if the details of the Estimate do not show that it was contemplated?—It is illegal until Parliament has made provision for it.

1459. Would not that reduce the thing to an absurdity if you followed it out?—I think not; the Comptroller and Auditor General has no power to disallow a charge, practically speaking; all he can do is to report to Parliament that such a sum is not properly chargeable against the Vote; the Treasury has the power of disallowing a payment before that.

1460. It is clear, in my opinion at least, that in this case the sum was voted by Parliament with the intention of repairing damages occasioned by the hurricane; but under the 27th section of the Exchequer and Audit Act, the Comptroller and Auditor General is bound to ascertain whether the money has been applied to the purpose for which it was voted; and I presume that, taking your view of it, under the 32nd section he would be bound to mention it in his report; but then comes the question, supposing he has fulfilled his duty in that respect, which he has in the present case, ought he to reject the payment as a charge against the vote; now if you look at the terms of the Appropriation Act, you will see that they are wide enough to cover this expenditure, and the question is whether it should be rejected?—If the explanation in the Estimate had been that this was a grant in conformity with the heading, that is to say, a Vote in aid of the general expenditure of the Colony, the Comptroller and Auditor General would have made no objection; but Parliament has made a special appropriation of that sum to the repair of the damages occasioned by the hurricane.

1461. That

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Lewes.*

15 June 1870.

1461. That is begging the question; these are the terms of the Appropriation Act: "For the Salaries and Allowances of Governors, &c., and for other Expenses in certain Colonies;" there is nothing in the Appropriation Act to restrict that part of the Vote to the object of repairing damages occasioned by the hurricane in the Virgin Islands?—How is the Comptroller and Auditor General to interpret the words "other expenses," which you read? He can only ascertain what those "other expenses" are by the Estimates.

1462. No doubt he is bound to ascertain that, and to report upon it; but the question is, whether, having done that, he has not discharged his duty, and whether he ought then to refuse to allow it as a charge against the Vote?—He cannot actually disallow it; the power of allowing or disallowing is assumed by the Treasury. The Committee will find, in the Treasury Minute at the end of the Comptroller and Auditor General's Reports, several cases in which his decisions have been reversed by the Treasury.

1463. Mr. *Stansfeld.*] There are three heads of the grant: first, "In aid of Colonial Local Revenue;" secondly, "To defray the Salaries and Allowances of Governors, &c.;" and thirdly, "Other Expenses;" in the first head is included the sub-head Virgin Islands, 3,000*l.*; then comes the heading of "Salaries, &c. of Governors;" then you come to "Passages of Governors," "Maintenance of Steamer, Western Coast of Africa," "Mineralogical Survey, West Indies," "Clergy, North America;" these four last sub-heads being evidently the "other expenses in certain Colonies;" is not that right?—Yes, that may be the explanation of the title of the Vote.

1464. Do you not find the sub-head "Virgin Islands, 3,000*l.*" under the head of "Grant in aid of Local Revenues"?—Yes, so far as the heading is concerned.

1465. Has it not always been recognised and understood, that the explanations of sub-heads, which are not to be found under the Estimate, but attached to the Estimate, are for the information of Parliament, but are not part of the appropriation by Parliament of the sums which it votes?—Certainly not; I never understood that to be the view. I consider that whatever is placed before Parliament for its information in granting the money, is also placed before the Comptroller and Auditor General, to enable him to ascertain what are the purposes to which Parliament intended that the money should be applied. The explanation is for the information of Parliament in the first instance, for the guidance of the Treasury in appropriating the money in the second instance, and for the guidance of the Comptroller and Auditor General in the third instance, when he comes to look at the Appropriation Account.

1466. But the distinction that the Chairman drew, and which I intended also to draw, is this, that no doubt this information is intended to guide Parliament, and not to mislead it; Parliament votes with that information before it, and therefore it is the duty of the Comptroller and Auditor General to draw the attention of Parliament to any expenditure which does not seem to accord with the intention Parliament had in acceding to that Vote; but the question is, whether that is a reason for his disallowing such expenditure, or whether he would not have discharged his duty by simply drawing the attention of Parliament to it?—That would be a mere question of words, whether the Comptroller and Auditor General said, "I object to this expenditure," or, "I call the attention of Parliament to it as an objectionable expenditure."

1467. *Chairman* (to Sir *W. Dunbar*).] I will take, as an illustration of this, a question which was raised in Parliament as to whether the shutters to the embassy at Therapia should be iron or not; supposing the detail had shown that the Vote was for providing iron shutters, and it was afterwards found out that iron was not so good as some other material, and the money was spent upon some other material, what view would the Comptroller and Auditor General take of that expenditure?—I should consider that the money being applied to shutters, it did not matter whether they were of one material or another.

1468. But it would have been contrary to the intention of Parliament if they had not been made of iron?—The intention of Parliament was that the money should be applied to shutters; the material is a subordinate question.

1469. Mr. *Stansfeld.*] Is there no distinction in point of consequences between the Comptroller and Auditor General disallowing an item in an account, and his simply drawing the attention of Parliament to that item?—The Comptroller and Auditor General has no power to disallow. The Treasury has made the payment, and whatever form of words the Comptroller and Auditor General may use, all he can do is to call the attention of the Treasury and of Parliament to the payment; he cannot disallow it. It has been allowed to the officer who paid it. It is a mere question of calling the attention of Parliament to the expenditure.

1470. Mr. *Seely.*] Was not it the intention of Parliament to vote a certain sum of money to relieve distress in the Virgin Islands?—It is not so stated. I daresay that may have been the intention, but there was a special appropriation made "to repair damages occasioned by the hurricane."

1471. The question then comes to be, what is meant by repairing damages; they may be damages to buildings, damages to provisions, and so on; it gives a wide scope?—There is a difference between that and the appropriation of money by handing it over generally in aid of local funds, because if you give this money over in aid of local revenues, it may be applied to purposes totally foreign to those which were described in the Estimate laid before Parliament.

1472. Mr. *Pollard-Urquhart.*] When you positively disallowed this expenditure, you did it at first, if I understand you rightly, because no satisfactory vouchers had at that time been furnished to you of that expenditure?—Yes.

1473. But afterwards, when vouchers were furnished to you, you thought that expenditure of 250*l.* so very questionable as to make it your duty to call the attention of Parliament to it?—No; that is not the question before the Committee.

1474. The question of disallowing the expenditure arose entirely in consequence of no vouchers having been furnished to you?—That question has been raised by Mr. Foster, but it is not absolutely before the Committee. As I said before, it opens up a very important question, which I should like to see fully argued out; it has not been as yet fully argued.

1475. *Chairman.*]

1475. *Chairman.*] There has been a little confusion as to two points in discussing this question; the one is, whether it is the duty of the Comptroller and Auditor General to ascertain whether it was the intention of Parliament that the money should be applied to this purpose, and to report upon it; the other is, whether the expenditure is properly chargeable to the Vote; if you will put aside the question that it was not the intention of Parliament to provide the money for that purpose, and now go to the question of its being properly chargeable against the Vote, I think we should be able to discuss the matter; the question is, whether granting that that which is outside the detail was not in accordance with the intention of Parliament, and granting that you duly reported that it was not in accordance with the intention of Parliament, is it chargeable against the Vote; will you direct your attention to that point only?—As there is a little difference of opinion between the views of the Treasury and the Audit Office, I am very anxious to go to the very root of this question.

1476. Up to this time the two points I have referred to have been rather mixed up?—Mr. Foster has made a statement, I think, upon the somewhat fallacious assumption that the Exchequer and Audit Department would interfere with or attempt to arrest the functions of the Treasury in dealing with these payments. The Comptroller and Auditor General has made no proposition so absurd. He knows perfectly well what his duties are. He knows that the Treasury in the exercise of its discretion, and in the plenitude of its power, may charge any sum that it pleases to any Vote, provided it can justify it to Parliament. But what he does claim as his right is to express an opinion upon it, and to bring his views before the House of Commons in fulfilment of the duties and powers which he is authorised to discharge by the Exchequer and Audit Act. Now, if Parliament had thought fit in the exercise of its wisdom, as it might have done, to appoint a special Committee of its own House to audit the accounts, employing examiners to point out where difficulties occurred, and this had been the Committee, I take it for granted that the Committee would not have considered itself precluded from asking for information, seeking for it, and making use of it for the purpose of eliciting the fact whether or not moneys voted by Parliament had been devoted to the purposes intended by Parliament.

1477. That is not my point; I assumed that you discharged your duty correctly in ascertaining whether the money had been applied according to the intentions of Parliament, and that you discharged your duty properly in reporting upon it. Putting that aside, and assuming that the money had been applied to a purpose which Parliament did not intend, will you now consider whether it is properly chargeable to the Vote?—There are two duties which in the examination of the account, which he conducts under that 27th section on behalf of the House of Commons, the Comptroller and Auditor General is called upon to perform. He is first to ascertain "whether the payments which the Accounting Department has charged to the grant are supported by vouchers or proofs of payments." This expenditure was not supported by what he considered to be proper vouchers.

1478. That is not the point upon which I want your opinion?—I want to bring the whole question before the Committee.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Lewes.*

15 June 1870.

1479. There is no difference of opinion upon that point?—The second duty of the Comptroller and Auditor General is to ascertain "whether the money expended has been applied to the purpose or purposes for which such grant was intended to provide." Now I say that under this clause he is bound to discover what the intentions of Parliament are, just as an Auditing Committee of the House of Commons would have been bound to discover what the intentions of Parliament were, and that in order to inform himself he is obliged to avail himself of all the information laid before Parliament that he may report, as he is required to do by the 32nd section, for the information of the House of Commons, what the result of his examination is.

1480. No one questions that you are bound to do all that; you must have proper vouchers in support of payments; you must ascertain what the intentions of Parliament are, and if the intentions of Parliament have been contravened, you must report upon it; that being so, vouchers being duly produced in support of a payment, but the payment having been made outside the intentions of Parliament, and you having reported it to have been so, the question is, is it properly chargeable against the Vote?—I say that that is a matter of opinion. I think the difficulty arises from the word having been used from time to time, of the Comptroller and Auditor General "disallowing" expenditure. The Comptroller and Auditor General has, by the Exchequer and Audit Act, no power of "disallowing" any expenditure, but he has the most ample power to make any report he pleases, and to express any opinion he likes upon any items which he deems objectionable, or which, in his judgment, is not properly chargeable against the Vote. (Mr. *Anderson.*) Will the Committee allow me just to call their attention to a section of the Annual Appropriation Act, it says; "The said aids and supplies, provided as aforesaid, shall not be issued or applied to any use, intent, or purpose whatsoever, other than the uses, intents, and purposes before mentioned or specified in the several schedules referred to in this Act." If those words have any meaning, any expense which is not embraced in these purposes ought not to be chargeable to the Vote.

1481. What section is that?—The 25th section of the Consolidated Fund (Appropriation) Act; it is the Act of last Session.

1482. This section refers to the schedules?—It refers to the schedules of the Votes.

1483. It is the 27th section of the Act of the year into which we are now inquiring; it refers to the schedules in the Act. The words of the schedule in the Act, with regard to this particular Vote, are very general, namely, "for the salaries and allowances of governors, &c., and for other expenses in certain colonies;" so that according to the terms of the Appropriation Act there would be nothing incorrect in charging it against the Vote, if we do not look beyond the Appropriation Act?—That is if it comes within the "uses, intents, and purposes" described in the Act.

1484-5. There is nothing in the Act, if we do not look at the details of the Estimate, to limit it to repairing damages occasioned by the hurricane?—That can be seen only by looking at the Estimate; you cannot discover the intents and pur-

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Lewes.*

15 June 1870.

poses without referring to the document upon which the money was voted.—(Sir *W. Dunbar.*) I would observe, in order to follow out this subject, that it would appear that the contention of the Treasury is, that though there may be a specific appropriation, yet, if the heading of a sub-head will cover any other appropriation, the Treasury should have full power to devote the money voted to any other purpose which that sub-head will cover. Now let me take an illustration just to show how that would work. We will take the Houses of Parliament, for instance; the general heading of a Sub-head, F., is "Works of Art." In the detailed information given to Parliament, those works of Art, which amount to 4,600 *l.*, consist of "The Judgment of Daniel," "The Acquittal of the Bishops," "The Lords and Commons presenting the Crown to William and Mary," and a statue of one of the sovereigns; supposing that instead of these four works which Parliament intended to have executed under this Vote, the department charged with the expenditure were to substitute four other works, say, an incident in the life of Cromwell, a statue of Cromwell, the triumphal entry of the Pretender into Edinburgh, and some others, all these would come under the general heading or designation of "Works of Art;" but could it be said that such an expenditure would be expenditure intended by Parliament to be incurred? But take another case, the case of the palaces in the occupation of the Sovereign; there are very large sums voted for the purposes of these palaces; there are sums voted for Buckingham Palace, for Windsor, for Frogmore, and for various other palaces in England, amounting sometimes to very large sums, it may be 30,000 *l.*, 40,000 *l.*, or 50,000 *l.*; supposing the Treasury, in the exercise of its discretion and its power, chose to devote the whole 40,000 *l.* or 50,000 *l.* to two palaces, one of them being Holyrood Palace, in Scotland, that again would fall under the description of palaces, but would it be a proper appropriation of expenditure voted by Parliament?

1486. It is quite clear that you would have to report upon that, but the question is would it be properly chargeable against the Vote; there can be no question that it is your duty to find out whether the intention of Parliament has been carried out or not?—If it was in direct contravention of the intention of Parliament, I hold that I am clearly entitled, under the 32nd section of "The Exchequer and Audit Act," to express an opinion to the effect that it is a sum expended which is not properly chargeable to the Vote, leaving the House of Commons to deal with the matter.

1487. Mr. *Liddell.*] Is not this question that we have been discussing so long almost, if not strictly, *in pari materia* with the question that arose the other day upon the appropriation, or the misappropriation as you properly called it, of certain monies voted for the London University, but applied to the expenses of the election of the Chancellor of the Exchequer?—It is precisely the same case.

1488. *Chairman.*] Only this is a stronger case?—It is even a stronger case, but it is precisely analogous. An enormous amount of misappropriation might take place under a very skilfully worded heading in the course of time. If the departments chose to ask for moneys for popular purposes, and other moneys for unpopular purposes, they might, of course, ask for a large sum in the detailed information given for the one set of purposes and a smaller sum for the other, so skilfully wording the heading as to be able to jumble up the two, or to appropriate the moneys intended for the one purpose to an entirely different purpose.

1489. The whole question is the intention of Parliament in voting the money in the first instance, and if the money is appropriated to a purpose that was outside the intention of Parliament, you hold it to be your duty to disallow the account of money so expended?—Not to disallow it; I have no power to disallow in the ordinary sense, but to report it as not properly chargeable against the Vote.

1490. To report that that is a misappropriation of public money?—Yes. In my opinion, a misappropriation, and therefore a sum not properly chargeable to the Vote.

1491. Is not this a vital question in respect to the duties and functions thrown upon you by Parliament, with a view to maintaining a check over the appropriation of public money?—I consider it to be so. I hold that whatever functions a Committee of Parliament would have exercised, if it had been specially appointed for the purpose, those functions have been delegated to the officer of Parliament for the performance of the same duties.

1492. Mr. *Pollard-Urquhart.*] To return for a moment to the point from which we started; supposing your office had existed at the time of the Irish Famine in 1846 and 1847, and supposing a certain sum had been voted for the relief of Irish distress at that time, and placed in the hands of a local committee, consisting principally of landlords, and supposing this committee had applied a great part of the sum placed in their hands to the payment of their own rents due from these distressed people and otherwise irrecoverable, would you not have thought it your duty to report that to Parliament?—Yes.

1493. Should not you call this a strictly analogous case to that which I have supposed?—I should consider it a perfectly analogous case. If I am precluded from looking at the detailed information presented to Parliament, I should possess less powers than are possessed by any ordinary auditor; I should become merely a cash auditor, and it would hardly be worth while, in my opinion, to keep up an expensive machinery, such as that which I am at the head of, for such a purpose. The work might be done by an officer of lower grade, at a lower remuneration. I may further observe that since the last meeting of this Committee, the question of the powers of an auditor has been decided by a court of law. If the Committee will permit me, I will show them what are the ordinary powers of an auditor. This was a case decided in the Court of Queen's Bench, before Justices Blackburn and Mellor, on the 1st of June last; the great question here was as to the powers of an auditor in auditing the accounts of a local board.

1494. *Chairman.*] Was it under an Act of Parliament?—I do not know. I take this from the "Times."

1495. That is a very important thing to know, is it not?—We will assume that it was under an Act; I am under an Act.

1496. Then it is very important to know what the words of the Act are, because there is no such

such thing as an audit at common law; it must be an audit under an Act of Parliament?—I presume so. You will find that the general powers of auditors are brought out in this judgment.

1497. That is, the powers of an auditor under some particular local Act, I suppose?—Yes, I suppose so.

1498. You have not got the terms of the local Act here to refer to, have you?—No; but there are some principles laid down here by the judges as to the powers of an auditor, which may be worth quoting. The contention here is, that the Comptroller and Auditor General is not entitled to look at the information laid before Parliament.

1499. I have not heard that contended?—I understood that it was said the other day that this was an appendix which did not come within the purview of the Comptroller and Auditor General.

1500. I have not heard that?—If that is conceded I have nothing further to say. (Mr. *Anderson.*) These were answers given to questions at the last examination. Mr. Vine stated, in answer to Questions 1195 and 1196, that the Audit Office was requiring more than Parliament intended should be given. It was upon the question of these detailed Estimates, the Appendix to the Estimates. Mr. Foster stated, in answer to Question 1208, "I think if once the Comptroller and Auditor General was going to check every item which is put in the Appendix to the Estimates, his duties would be increased to an enormous extent, and the whole thing would break down from the impossibility of carrying it out." He goes on again, in answer to Question 1209, to say, "I think that to recognise the right of the Comptroller and Auditor General to go below the sub-heads which are laid down in the Estimate would lead to insuperable difficulties;" and, in answer to Question 1210, he says further, "It would extremely multiply the accounts of departments, and would lead to very heavy expense, and it would need more bookkeepers to keep them;" and then he says, in answer to Question 1234, "It appears to me that the Comptroller and Auditor General has no opinion to give on that point;" that is upon the sub-heads. He goes on to say that it is beyond the province of his department to give an opinion on that point.

1501. *Chairman* (to Mr. *Foster.*).] Is it the contention of the Treasury that, under the Exchequer and Audit Act of 1866, it is not the duty of the Comptroller and Auditor General to ascertain what was the intention of Parliament as to the appropriation of the money voted by Parliament, and to report upon it?—It is certainly the view of the Treasury that he has full power to do so.

1502. Is not he required to do so by the Act?—Yes; my observations were intended to show that if the intention of Parliament was to be arrived at by the Comptroller and Auditor General going into the details of the sub-heads, the accumulation of the work of audit and of account keeping would render the matter extremely expensive and very difficult.

1503. You do not contend that it is not the duty of the Comptroller and Auditor General to satisfy himself of the intention of Parliament with regard to the appropriation of the money voted, and to report when he thinks the intention of Parliament has been set aside?—Certainly not.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Lewes.*

15 June 1870.

1504. Mr. *Seely.*] He may look at the sub-heads for his information?—Yes, to guide him in his judgment.

1505. If I understand you rightly with reference to this particular question, the Treasury thought that the head "Repairs of Damages" might fairly be construed as showing an intention of Parliament to appropriate a certain sum of money to relieve the distress that had occurred in this particular island?—Certainly; especially as the Vote says that it is to be granted in aid of the Colony; it was granted in aid of the colonial revenue, to support the Colony in this time of trial. I should like to observe that the Comptroller and Auditor General did not raise any objection as to its coming under the meaning of the Vote when he admitted the charge for medicines; his only objection was the want of vouchers. Now I cannot conceive that a sum granted to the governor to aid the Colony comes less under the meaning of the Act than paying a bill for medical supplies to the island; if the sum granted to the governor to aid the Colony does not come within repairing the damages done by a hurricane, I do not see how medicines do.

1506. *Chairman.*] Your view is this, that it was not outside the intention of Parliament to apply the money in this way?—Certainly, it was within the intention of Parliament.

1507. But supposing the Comptroller and Auditor General thought it was not, it was his duty so to report?—It was his duty so to report, but not to state positively that it was not chargeable against the Vote, in which case the expenditure would fall upon the accountant if we adopted that decision. It was stated that the words in which the objection was raised made little difference; but it would make this difference to the accountant, that in the one case, if he was wrong, he would be reproved, and in the other case he would be called upon to make good the money, which is a very serious difference. But then I think the Comptroller and Auditor General drew attention to the wording with respect to St. Helena. He says, he would not hesitate for a moment to admit the simple receipt of the governor of the Colony in St. Helena, for the payment in respect of the repairs of the destruction caused by the white ants, but he will not take the receipt of the governor of the Virgin Islands for a payment to repair the damages caused by the hurricane. (Sir *W. Dunbar.*) I will ask Mr. Foster to read the whole of that passage, and not to omit the essential words.

1508. *Chairman* (to Mr. *Foster*).] The Committee wish to inquire into the principle of the thing; they do not want to go into these minor details, which give rise to a great deal of complication?—I should like to mention one point, with regard to Bermuda; it was stated that there was a special appropriation of the salary of the governor, which I think would affect the principle. The Comptroller and Auditor General states that he considers the salary of the governor to be a special appropriation. I think the Treasury would contend that it was not a special appropriation, because if the Treasury thought it right that the salary of the governor should be reduced by 200*l.*, and that the salary of the chief justice should be increased by 200*l.*,

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*
Mr. *Lewes,*

15 June 1870.

I think the Treasury would deem it quite within their power to make that change, and would not look upon the sum voted for those salaries as a special appropriation by Parliament.

1509. Supposing it was within the power of the Treasury to make that change, it would still be within the duty of the Comptroller and Auditor General to remark upon that transfer in his report, would it not?—I think if he were to do that in every case there would be no end to it.

1510. He would not be exceeding his duty in so reporting; it would be a question of discretion?—Yes.

1511. Mr. *Candlish* (to Mr. *Anderson*).] You regard it as important to look to the terms under which Parliament votes the money, that is to say, the terms of the Estimate?—Yes.

1512. When the Appropriation Account comes before you, it is submitted by the department direct, is it not; this Appropriation Account, Vote 8, came from the Colonial Office, did not it?—Yes.

1513. Do you not notice that the heading there, as furnished in the Appropriation Account, differs from the heading in the Estimate?—Yes.

1514. (To Sir *W. Dunbar.*) Is there not a very great inconvenience in having the headings under the different Votes in the Appropriation Accounts, varying from the terms in which the Votes were granted by Parliament?—I think there is some inconvenience.

1515. I notice other variations; Vote 7 is in different terms, and Vote 10 is in different terms?—There is no doubt some inconvenience; the inconvenience has arisen out of this difference of opinion.

1516. Would it be part of your duty to correct this heading, and put it in the terms under which the money was first voted by Parliament?—No; that is exclusively the duty of the Treasury.

1517. Do these accounts come from the Colonial Office to you direct, or do they come to you through the Treasury?—They come to us direct.

1518. Then it could not be the duty of the Treasury to correct the headings of an account which they never saw?—But the forms in which the accounts are to be rendered are prescribed by the Treasury in virtue of an Act of Parliament.

1519. Do you see what the difference is between the Estimate and the Appropriation Account in Vote 8?—Yes.

1520. Is there not very great inconvenience in submitting to Parliament a heading in the Appropriation Account which is different from the heading in the Estimate?—I confess that I think they had better be assimilated.

1521. *Chairman* (to Mr. *Foster*).] Can you give any explanation of the reason of the variation in these headings?—No, I cannot. I do not think that the Treasury is to blame. It was probably an accidental omission. The Colonial Office in preparing the account did not put in the full heading, and when it went to the Comptroller and Auditor General, I think it rested with him rather than with the Treasury to correct it.

1522. It would seem better, would it not, that the terms of the Appropriation Account should follow the terms in which the money was granted?—Yes.

1523. Mr. *Candlish* (to Mr. *Lewes*).] This Appropriation Account is rendered by your department, is it not?—Yes.

1524. Will you explain why there is a difference between the heading in the Appropriation Account and the heading in the Estimate?—There was, I believe, so little intention to make any difference that I am inclined to suppose that it may have been accidental. The words may have been omitted in printing; they go side by side up to a certain point.

1525. You see that there are differences in the headings of almost every Vote?—I have not studied other Votes, but I believe it was intended to make them correspond in this case; the difference may have arisen from an omission in printing.

1526. As the Comptroller and Auditor General has to examine your account with reference to the Estimate, is it not clear to you that the terms put before the Comptroller and Auditor General in your account should have been those used in the Estimate?—I certainly should have prepared it according to the terms used in the Estimate.

On Vote 5.

Mr. Francis B. Alston, called in; and Examined.

Mr. *Alston.*

1527. *Chairman.*] We wish to call your attention to paragraph 3 in the Comptroller and Auditor General's Report upon this Vote; it is this: "I have further to point out that an expenditure of 1,741 *l.* 6 *s.* 10 *d.*, on account of the Niger Expedition, was by direction of the Treasury in a letter dated the 11th of March 1869, charged to the Sub-head E, Incidental Expenses, the Vote for which amounted to 1,200 *l.* only." We have had it in evidence that this sum was expenditure incurred by Mr. Macleod, Mr. Macleod being at the time restricted not to expend more than 200 *l.* a year on the public account; was that so?—It was so, but this was an extraordinary expenditure incurred by the consul without previously reporting the circumstances to our office.

1528. We have heard that a bill was drawn by him upon the Foreign Office, the Foreign Office demurred at first to accept the bill, but afterwards, taking all the circumstances into consideration, they accepted it?—Yes, taking all the circumstances into consideration, they accepted it with the Treasury's sanction.

1529. What the Committee wanted to know was whether any examination was made by the Foreign Office into the propriety of the charges?—The Foreign Office made such an examination as was practicable at the time. We fully believed that the expenditure had been incurred by the consul, this I say, without expressing any opinion as to whether the consul acted wisely in incurring it; we certainly had no reason whatever to doubt that the expenditure had been incurred.

1530. Practically, was there any examination of

of the account?—I am afraid I cannot give any other answer to that question. Undoubtedly there was an examination of the account, but I understood the drift of your question to be whether the expenditure was a necessary expenditure.

1531. What I wanted to know was this: first of all it does not appear by that account that Mr. Macleod certified that the expenditure had been incurred; there is nothing at the end of the account to show it; the account is signed by the person who supplied the articles?—Yes.

1532. It is not verified by the person who incurred the liability?—It is not.

1533. Do you know whether any certificate was given by Mr. Macleod on any other document that he had incurred that liability in respect of those articles?—I am unable to answer that question at this moment.

1534. Mr. *Liddell.*] In consequence of an answer you gave, probably inadvertently, I should like to ask you whether the Foreign Office is in the habit of sanctioning expenditure without an accurate account of such expenditure being furnished in all cases?—Certainly not; but this was a peculiar and exceptional case, and we had to be satisfied with the best account we could obtain. I answered the question supposing that it had reference to the circumstances under which we had accepted the bill, as to which I spoke, subject to correction by Mr. Foster. My impression is that, the bill having been drawn upon the Foreign Office, we paid it under Treasury direction, and I cannot at this moment say whether the vouchers sent in support of that bill were deemed to be satisfactory or not. I must honestly admit that I had no recollection of the existence of that account, which has just been put into my hands.

1535. *Chairman.*] What is the practice of the Foreign Office as regards accounts sent in by consuls at remote stations?—They are carefully examined.

1536. In what way are they certified?—The accounts are signed by the consuls themselves and supported by vouchers; but I repeat that this was an exceptional case. This is not the account of the consul himself, it is rather the voucher; and I must conclude that it was a voucher sent by the consul in support of the account, for it certainly is not the account itself.

1537. That is, in fact, the bill sent in by the manager of the company?—It is

1538. And signed by the manager?—Yes.

1539. You are not able to say whether the consul certified to the correctness of the charge?—I assume that he did so; I have no doubt he did.

1540. But you are not able to say, as a matter of fact, that he did?—I have here a despatch from the consul, dated the 18th of November 1868, explanatory of the charge.

1541. Do you know what was the date of the acceptance of the bill?—My impression is that it was towards the end of 1868, or early in 1869, that the bill was accepted.

1542. Does that despatch, which seems to be a long one, contain a certificate to the correctness of the account?—It contains a full explanation of the circumstances under which the expenditure had been incurred.

1543. But does it certify that the charges made by the manager of the factory were correct, that the articles had been supplied, and that the prices charged were proper?—I do not find any reference to this account in the hurried examination which I am able to make of this despatch at the moment. The letter of the Foreign Office to the Treasury says that the Earl of Clarendon transmits "the accompanying despatches as marked in the margin from Mr. Macleod, explaining the circumstances under which he drew the bill in question, and enclosing a statement of the expenses on account of which the bill was drawn; and I am to request that in laying these papers before the Lords Commissioners of Her Majesty's Treasury, you will state to their Lordships that it would appear that Mr. Macleod was placed in a position of more than ordinary difficulty, at a considerable distance in the interior of Africa, and out of reach of instructions. Lord Stanley, before whom the question of the payment of this bill was first brought, was of opinion that Mr. Macleod might not unnaturally have felt that he was bound to uphold the interests committed to his charge, and that therefore he was justified in incurring the expenditure which he did. I am to state that Lord Clarendon concurs in the view of his predecessor in this matter, and his Lordship has therefore given directions, pending the decision of the Treasury as to the funds out of which Mr. Macleod's bill should be paid, that it should be paid and charged to the Vote for 'Special Missions.'" I apprehend that that is not an account in the sense in which consular accounts are usually rendered.

1544. Then do you gather from that letter that Mr. Macleod verified the accuracy of that account by enclosing it?—I conclude so. This account is marked as an enclosure in this long despatch from the consul; I cannot find any distinct reference to this account in the despatch, but I must assume from the despatch, which bears the signature of the consul, that he sent that account in as representing accurately his expenditure as far as he was able to render it.

On Vote 10.

1545. *Chairman* (to Mr. *Vine*).] The note to this Vote is, "Of this sum only 474 *l.* 1 *s.* 7 *d.* remains available for surrender; a sum of 162 *l.* 15 *s.* 4 *d.* having been surrendered in excess of the savings of the previous year;" have you anything to say upon that?—I have. The saving upon the previous year was surrendered in consequence of a report of the Public Accounts Commission, and 162 *l.* 15 *s.* 4 *d.* was excluded, there being a doubt whether it was expenditure chargeable against the year 1867-8 or not. The doubt was this, whether the persons who expended this money were sub-accountants of the Emigration Commissioners or not. From the information we had obtained we did not consider that they were so, and therefore the surrender was made without taking into consideration the 162 *l.* 15 *s.* 4 *d.* That being the case, I consider that the 162 *l.* 15 *s.* 4 *d.* ought to have been included in the first open account, that would be in the year 1868-9. It has not been included in this Appropriation Account. It appears that the Comptroller and Auditor General has made neither an objection nor an observation upon it. I would refer to page 168 of the Appropriation Accounts. In the third paragraph, under Subhead B., "Incidental Expenses, Court of Chancery, Ireland," the Comptroller and Auditor General states, "There are also included two payments

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Vine.*
Mr. *Ryan.*

15 June 1870.

for scrivenry, amounting together to 8*l.* 6*s.* 8*d.*, which, having been made in March 1868, are inadmissible as a charge against the Vote for 1868–9." That, I presume, is an objection raised by the Comptroller and Auditor General. If you will turn to page 77 you will find in paragraph 4, "I also observe that two payments, amounting to 12*l.* 7*s.* 6*d.*, included in the last-mentioned sum of 24*l.* 14*s.* 3*d.*, were made during the year 1867–8, and should have been included in the account of the Vote for that year." In the one instance where the sum has not been charged against the first open account, the Comptroller and Auditor General neither makes an observation nor an objection. In the second case, in regard to the account of the Court of Chancery, Ireland, the Comptroller and Auditor General makes what I consider to be an objection, because he recommends that the sum should be disallowed. In the case of the "Exchequer and other Offices, Scotland," the Comptroller and Auditor General contents himself by making a simple observation. I do not quite understand the distinction which the Comptroller and Auditor General draws between these cases.

1546. (To Mr. *Ryan*). What have you to say upon this point?—With reference to the note made upon this account, we did not consider that there was any necessity for us to make any observation whatever; the note explains itself.

1547. You accepted the note?—We left the note for the Committee to raise any question upon which they thought proper. (Mr. *Vine.*) The Vote shows that there was a sum of 162*l.* 15*s.* 4*d.*, which had been surrendered in excess of the savings of the previous year. (Mr. *Ryan.*) The sum was not charged against the account, therefore we took no notice of it. (Mr. *Vine.*) If these items were omitted from the accounts of 1867–8, they ought to have been included in the first open account, which was 1868–9.

1548. (To Mr. *Ryan*). Your report is to this effect, that "the amount of the net saving to be surrendered should be 637*l.* 13*s.* 9*d.*, and not 636*l.* 16*s.* 11*d.*, as shown in the account"; notwithstanding that note, you consider that the whole of the sum of 636*l.* 16*s.* 11*d.*, with the addition of a few shillings, should be surrendered?—We reported upon the account simply as it stood. The saving shown by the accountant was 636*l.* 16*s.* 11*d.*; there was a small disallowance to be taken into account, and therefore we said the sum to be surrendered for that year is not 636*l.* 16*s.* 11*d.*, but 637*l.* 13*s.* 9*d.* With reference to the note, we left that as it stood. (Mr. *Vine.*) It appears to me to be evident from the note that the account is wrong.

1549. How do you say that the account ought to have stood?—I maintain that the 162*l.* 15*s.* 4*d.* ought to have been included in this account as expenditure, it having been omitted from the account for 1867–8, it must therefore necessarily be charged against the first open year, which is this one.

1550. Under what sub-head?—Under whatever sub-head the expenditure took place.

1551. (To Mr. *Ryan.*) What have you to say to that?—We reported upon the account itself as it stood. We did not think it necessary to tell the accountant that he must include in the Appropriation Account any sums of which we had not at that moment any knowledge except by this note.

1552. Mr. *Stansfeld* (to Mr. *Anderson*).] You looked to the account only, and not to the note appended to the account?—Yes; the Comptroller and Auditor General says, that the surplus on the Vote for this year is 637*l.* 13*s.* 9*d.* This note says, that the sum of 162*l.* 15*s.* 4*d.* was surrendered in excess of the proper savings of the previous year, so that the balance only would be surrendered this year.

1553. Your view is, that there is no real difference?—No, there is no practical difference at all.

1554. *Chairman* (to Sir *W. Dunbar*).] Your report seems defective, does not it, in not alluding to this?—The saving on the Vote for the year is really the sum stated; the correction of the error made in the surrender of the saving on the previous year's Vote was the duty of the Treasury.

1555. Mr. *Stansfeld* (to Mr. *Ryan*).] The point is, that the report says the amount "to be surrendered" is such and such?—These particular sums will be charged, by directions of the Treasury, against this year 1869–70, instead of against 1868–9; they have not been included in the former account.

1556. *Chairman.*] I understand your view to be that you made a report upon the account of this year, and that if there was an error in the year before by too large a sum being surrendered, that did not come into this year?—Yes, we did not make ourselves responsible for the balance with which the account commenced.

1557. Mr. *Candlish.*] The standing over amount was an amount chargeable in the next year?—It will be charged on the year 1869-70.

1558. The amount remaining unpaid in 1868-9, or the previous year 1867-8, will be chargeable in the next year's account?—The sum ought to be charged in the year in which it is actually incurred.

1559. Not having been charged then, would it not be rightly chargeable in the next year's account?—It cannot be otherwise dealt with.

1560. (To Mr. *Anderson.*) You have not pointed that out as the course to be pursued; you have not corrected the account in that way?—I understood the note to mean that 162*l.* 15*s.* 4*d.* was surrendered last year in excess of the actual saving; it was the duty of the Treasury to correct that error of theirs, by taking that excess of surrender out of the surrender to be made this year; that is the meaning of that note.

1561. *Chairman* (to Mr. *Vine*).] Your position is this, that the nominal savings of this year must be debited with certain payments to replace the savings of last year?—That expenditure is nowhere shown in the account, it is neither included in the 1867-8 account nor in the 1868-9 account. There was a question whether the payments were made through sub-accountants. Mr. Foster and myself entertained doubts about it, and therefore we considered that this sum would be properly chargeable against the year 1868-9. The Comptroller and Auditor General entertained a different opinion, and the amount was not included in this account.

1562. And then you say that it ought to have been included in the expenditure account of this year which we are inquiring into?—I think anything omitted from the account of one year ought to be included in the expenditure account of the first open year.

1563. It was the fault of the accountant of the department, was it not?—Yes, to a certain extent; but I think that attention ought to have been called to this note, and to the fact that the account

was

was incorrect. (Mr. *Ryan.*) This was the first Appropriation Account rendered by the department. (Mr. *Foster.*) It not having been pointed out, the expenditure will not appear in any account. (Mr. *Anderson.*) The Comptroller and Auditor General's Report begins with this statement, "This is the first account of this service which has been rendered to this department as an Appropriation Account." There was no previous account to which it could be charged, therefore it was taken out of the balance. (Mr. *Foster.*) The Controller and Auditor General was informed by the note that there was expenditure which clearly ought to have fallen into the first open year, 1868-9. (Mr. *Anderson.*) It appears to me to be a distinction without a difference.

1564. Mr. *Egerton.*] Supposing that this case had occurred this year, what course would the Comptroller and Auditor General have taken next year in regard to it; you said that one reason for taking no notice of this particular circumstance was that this was the first Appropriation Account of that department?—Yes.

1565. In the case of a second Appropriation Account being submitted to you, what course would your department take?—I presume that if they had surrendered too much in a previous year they must take it out of the surrender in the next year. It is only a different way of doing the same thing. We state that the saving upon the actual expenditure of the year is 636 *l.* 16 *s.* 11 *d.*, but it appears by the note that 162 *l.* 15 *s.* 4 *d.* has been already surrendered, and the balance alone remains now to be surrendered.

1566. Mr. *Stansfeld.*] No; you say that the balance "to be surrendered" is a large sum, namely, 637 *l.* 13 *s.* 9 *d.*?—Yes, perhaps those words, "to be surrendered," might have been omitted; but the same sum is stated in the Treasury Minute as the proper amount to be surrendered on the Vote for the year.

1567. Mr. *Egerton.*] You would have to take notice of it in some shape or other; you take no notice of it in this case, but in a future case you would have to take some notice of it?—Yes.

1568. Mr. *Candlish.*] What will you do with this 162 *l.* 15 *s.* 4 *d.* next year?—It will probably be charged against the Vote of the following year, indeed I am told they have done so; it is paid.

On Class 6, Vote 2.

1569. Lord *F. Cavendish* (to Mr. *Foster*).] The Comptroller and Auditor General calls attention to the fact that the balance of 1867–8 under this Vote has not been paid into the Exchequer; has it since been paid?—It has since been paid.

On Vote 3.

1570. In paragraph 3 of the Report of the Comptroller and Auditor General it is stated, "Under Sub-head A., I have to observe that no vouchers in respect of a sum of 1,206 *l.* 7 *s.* 3 *d.*, have been produced, the papers relative to the payment having been mislaid at the Board of Trade; the sum cannot, therefore, be admitted as a charge against the Vote"; have you any remark to make upon that?—These vouchers have since been discovered, and the amount has been allowed.

On Vote 4.

1571. In paragraph 2 of the Report of the Comptroller and Auditor General, it is stated "The expenditure under Sub-head 22 should be increased from 56,512 *l.* 0 *s.* 3 *d.* to 56,712 *l.* 0 *s.* 3 *d.*, a sum of 200 *l.* (a repayment of a pension for a period anterior to this account) having been credited to the Vote instead of to Exchequer extra receipts"; has that correction been made?—I believe it has been made.

1572. The next paragraph is, "A sum of 26 *l.* 13 *s.* 4 *d.* having been paid under Sub-head 27 as the pension to the late Mr. Neal, Her Britannic Majesty's consul at the Piræus, for which no receipt has been produced, the expenditure under this sub-head should be reduced from 26,710 *l.* 18 *s.* 8 *d.* to 26,684 *l.* 5 *s.* 4 *d.*, has that voucher been furnished?—The Assistant Paymaster General understood that the Audit Office were completely satisfied with the evidence he had produced. I have since understood that the Audit Office were not quite satisfied.

1573. (To Mr. *Ryan.*) Were you satisfied?—No; the facts were that the Pay Office paid the pension of Mr. Neal without seeing that he had not signed his receipt at the time, though the examiner puts "examined" to it. Mr. Neal has since died, and so no proper receipt can be got from him; and the sum cannot be allowed under the 32nd section of The Exchequer and Audit Act.

1574. Mr. *Sclater-Booth.*] Was Mr. Neal entitled to that sum of 26 *l.* 13 *s.* 4 *d.*?—Yes. (Mr. *Foster.*) And there is the best evidence that it was paid to him.

1575. Mr. *Egerton.*] But it was an irregularity?—Yes; it was an accident which could not be repaired under the circumstances.

On Vote 7.

1576. *Chairman.*] There is a deficiency under Sub-head B. of this Vote of 6,409 *l.* 1 *s.* 4 *d.*, owing to the amount required for the quarter ended the 31st of March 1868 having been paid in the year 1868–9; that was an irregularity, I suppose?—It was a mere question of account.

On Class 7, Vote 1.

1577. Lord *F. Cavendish.*] In the Report of the Comptroller and Auditor General it is stated that various vouchers have not been produced, and that consequently the excess on the Vote for the year should be reduced from 19,382 *l.* 11 *s.* 4 *d.* to 17,366 *l.* 13 *s.* 5 *d.*; have all those vouchers since been produced?—I believe the whole of them have.

1578. With respect to Sub-head Q, there is a Vote for 1,700 *l.*, and the expenditure is 12,639 *l.* 5 *s.* 1 *d.*; is there any reason for that enormous excess?—The inquiry into the Irish railways was extended.

1579. *Chairman.*] There was a subsequent report presented by the Commissioners, was there not?—Yes, there was a further report for which voluminous inquiries were instituted, as to the state of the accounts of the railways.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*

15 June 1870.

Revenue Departments and Post Office Packet Service.

Vote 1.—Customs.

1580. *Chairman.*] On this Vote the Comptroller and Auditor General says, "I have also to observe that whereas, in the Customs Accounts all Repayments and other Extra Receipts are (with one exception in the present account) credited to Revenue, in the Post Office they are credited to Extra Receipts; and in the Inland Revenue Accounts they are credited in some cases to 'Extra Receipts,' and in others to 'Revenue.' It appears to me that it would be desirable that the mode of recording 'Extra Receipts' in the accounts of the three Revenue Departments should be uniform;" have you anything to say upon that?—I think it would be desirable to have it uniform. As regards Customs and Excise the Extra Receipts are shown entirely separate from the Revenue in the Finance Accounts, but they are paid into the Exchequer as Revenue, and there is just this advantage in that arrangement, that it keeps the total receipts of the Customs or Excise Departments together. In the case of the Post Office they pay their Extra Receipts in separately as Miscellaneous Revenue, and they do not appear as Receipts of the Post Office. The Army any Navy Departments pay in their Extra Receipts in the same way as the Post Office, and I think it would be desirable to arrange that the Customs and Excise should pay their Extra Receipts in the same manner.

Mr. William Dick, called in; and Examined.

Mr. *Dick.*

1581. *Chairman.*] Have you anything to observe upon this subject?—No. I believe it is the opinion of the Comptroller General of the Customs that the Extra Receipts ought to be paid in in aid of the Vote, according to the observations of the Comptroller and Auditor General.

1582. He accepts that view?—I believe he accepts it.

1583. Mr. *Sclater-Booth.*] You mean that they should be paid in as extra receipts, and not as revenue?—Yes. (Mr. *Foster.*) I do not think it would be desirable to pay extra receipts in as appropriation in aid of the Vote. I think the amount should all go into the Exchequer as extra receipts; but if I understood Mr. Dick rightly, he stated the opinion of the Comptroller General of Customs to be, that the sums repaid by the Board of Trade for work done by the Customs should go to aid that Vote, and not to the Exchequer; that I should dissent from. (Mr. *Dick.*) With regard to the sum paid by the Board of Trade, I believe it stands in this way: it is for work done, and the expense of the work done is voted. The Board of Trade pay a sum of close upon 14,000*l.* a year for clerical work; the expense of that clerical work is voted in the Customs Estimates. It is a question whether that should not be applied as a set-off against the Customs Vote.

1584. *Chairman* (to Mr. *Foster*).] What have you to say on this point?—I think that it would be objectionable; I think it is much better that each department performing work should estimate for, and account for the expenditure, and that any contributions in aid should go to the Exchequer.

1585. Mr. *Sclater-Booth.*] You would explain in a foot-note that a sum of 14,000*l.* a year was paid by the Board of Trade?—Yes. (Mr. *Dick.*) That is explained, I think, by a foot-note now; but still the amount goes into the revenue.

1586. Mr. *Stansfeld* (to Mr. *Foster*).] The rules which govern this question of extra receipts are not at all consistent; I believe they vary in the same department, and they vary between the different departments?—It is extremely difficult to lay down a strict and invariable rule with regard to them, but my own individual view is very much in favour of paying to the Exchequer all extra receipts, and voting the total expenditure for the department that incurs that expenditure.

1587. But, as a matter of fact, there is no rule of that kind controlling the question with reference to the expenditure of each department?—There are considerable exceptions to that rule.

1588. There are exceptions as between the departments, and different rules applying to extra receipts within a given department?—Yes, that is so, in some cases.

1589. Does not it appear to you desirable, not only that the mode of recording extra receipts in the accounts of the three Revenue Departments should be uniform, but that it should be made uniform throughout the services?—I think it should, as far as possible; I should not be prepared to say that it should be carried out without exception.

1590. *Chairman.*] Then do you propose, with regard to the Board of Trade, that they should estimate for the work done for them by the Customs?—I should prefer to omit it from the Vote of the Board of Trade, and let the whole expenditure fall upon the department which incurs the expenditure and pays the money.

1591. In that case there would be no extra receipts at all?—In that case it would drop.

1592. Do you not think it objectionable to vote money to be afterwards paid in as revenue?—I think, as far as it can be avoided, it should be avoided, because otherwise Parliament is voting the money twice over.

1593. Mr. *Candlish.*] Thereby doubling the annual Estimates?—Yes.

1594. The annual Estimates are not, therefore, a correct record of the annual expense to which the country is put?—Exactly; and the difficulty could be met by making a foot-note against the Vote, showing the expense that the department incurs for any other department.

1595. *Chairman.*] A foot-note showing whether the expense is incurred on its own account, or on account of any other department?—Yes.

1596. Mr. *Sclater-Booth.*] Do not you think that the Revenue Departments are in rather a different position from the spending departments in that respect, and that it would be an advantage to ascertain the cost of collection in them?—I think

think that it might be if you could really ascertain it; but the Customs, for instance, or the Inland Revenue Department, undertake work for so many departments, that it would not be a fair means of judging of the cost of collection. The Custom House officers all over the country are very much employed, and in some cases the chief part of their employment is for other departments; for instance, they make payments for the Army, for the Navy, and for the Paymaster General in all parts of the country. They collect lighthouse dues, and incur a variety of expenditure which you could not possibly eliminate from the cost of the collection, because the one salary of the collector pays for the whole duties which he undertakes. I think, therefore, that it would be futile to attempt to show the real cost of the collection of Customs duties in the Estimate.

1597. And do you think that, as a matter of fact, the net cost of collection never has been and never is ascertained? — Never; and in the Finance Accounts the statement of the percentage of the cost of collection has been omitted, because it was felt to be so entirely erroneous. Sir *W. Dunbar* Mr. *Foster.* Mr. *Anderson.* 15 June 1870.

1598. Mr. *Candlish.*] Here on this account there would be 13,000 *l.* Customs receipts which, in point of fact, are not Customs receipts, but payment to the Custom revenues by the Board of Trade?—Money voted by Parliament, paid by the Board of Trade to the Customs, and transferred back to the Exchequer.

1599. *Chairman.*] What have you to say on that sum of 306 *l.* 15 *s.* 6 *d.* mentioned in paragraph 6?—That sum has been adjusted in accordance with the recommendation of the Comptroller and Auditor General.

Vote 2.

Mr. Frederick Gripper, called in; and Examined.

1600. Mr. *Pollard-Urquhart.*] With regard to Sub-head D., there is this explanation; "The excess of expenditure under this sub-head was caused by the payment of extra remuneration to clerks to Commissioners of Income Tax, under the authority of the Treasury Letter of 31st August 1868, in consideration of the labour resulting from the imposition of the additional income tax of 1 *d.* in the pound"; is that a very great additional labour, for it is almost the same labour to collect 6 *d.* in the pound as 1 *s.* in the pound, is it not?—It was an allowance in respect of the additional 1 *d.* in the pound imposed at a late period of the year 1867, after the assessments for the year had been prepared. Parliament met in December of the year, and granted the additional 1 *d.* for the purposes of the Abyssinian War. Mr. *Gripper.*

1601. Was it not collected at the same time?—It was collected at the same time, but the assessments had been prepared at the former rate, and a great deal of additional labour fell on the clerks to Commissioners.

1602. Mr. *Candlish.*] Those sums would be properly chargeable, would they not, to the Abyssinian Expedition?—They were additional expenses in the cost of the collection of the tax.

1603. *Chairman.*] There are certain errors in the classification, which are commented upon by the Comptroller and Auditor General in his report; have they been adjusted?—They were adjusted by the Comptroller and Auditor General. The account had been rendered incorrectly.

1604. And the department accepts the corrections of the Comptroller and Auditor General?—Yes. With regard to the item of 319 *l.* 12 *s.* 9 *d.*, under Sub-head A., "Omitted and carried in error to other sub-heads," I may observe that it was attributable to the manner in which certain sums for salaries were claimed; it had been the practice, on the removal of officers, for the Board to allow to the officer removing, the amount of his salary, pending his leaving one station and taking charge of another, and that had, under the regulations of the Board, been claimed under the head of "Removal Expenses." The Comptroller and Auditor General deemed it more proper that such amounts should be claimed as salary, and an Order was issued accordingly; subsequently to the date of that Order all such amounts have been claimed as "salaries."

Vote 3.

Mr. George Chetwynd, called in; and further Examined.

1605. *Chairman.*] At page 307, the Comptroller and Auditor General says, "I deem it right to refer to my Report of the 15th of January 1869 (paragraph 22), on the subject of the application by the Post Office of the void money orders, and other public moneys not voted by Parliament, and to observe that I have received no further communication, either from the Lords of the Treasury or from Her Majesty's Postmaster General, on the subject. The Committee on Public Accounts, in their Third Report of last Session, stated that they had agreed that these moneys had better be paid over as 'Extra Receipts;'" is there any explanation of that, whether it has been accepted?—The Treasury did make a communication to the Postmaster General on the subject, and the matter is now under the Postmaster General's consideration; I believe that he is about to confer personally with the Treasury on the subject. Mr. *Chetwynd.*

1606. "With reference to the expenses under Sub-head F. of the Estimates, 'Government Annuities and Life Insurances,' it appears that no adjustment has, as yet, been made with the National Debt Commissioners, although the service has been in existence since April 1865;" have you anything to say about that?—That has since been adjusted; the amount has been collected.

1607. Mr. *Stansfeld.*] Have you anything to add to your answer about void money orders?—Mr. Foster tells me that a reply has been sent to the

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Chetwynd.*

15 June 1870.

the Treasury; I inquired before I came up, and I was told that no reply had been made.

1608. *Chairman* (to Mr. *Foster*).] Can you state the substance of the letter generally?—I think that I can give it briefly. The Postmaster General considers that it is very desirable to maintain the arrangements with respect to the Void Money Order Fund for three special reasons; the first is, that it encourages clerks to insure their lives "in stable insurance offices, by paying part of their premiums;" secondly, that it enables the Post Office to meet claims "arising from neglect or dishonesty of its servants, and which, though generally without legal foundation, were considered, especially when the claimants were poor, to carry with them some degree at least of moral obligation."

1609. That has reference to paragraph 3 of the Report of the Comptroller and Auditor General, has it not, and not paragraph 2?—This is the fund which is produced by the application of void money orders, and out of which these purposes are met. "Thirdly, some of the fund, though a very small part, has been employed in making good losses when payment could not be obtained from bondsmen." The Postmaster General considers the application of the fund in this way perfectly legitimate, and that great inconvenience and injury would result from a measure which would cause any interruption to it. The Treasury have replied that they are of opinion "that the system of remunerating or meeting the expenses of, or losses by, Post Office officials out of the Void Money Order Fund is objectionable, and is apt to lead to a want of zeal on the part of these officials in securing the correct delivery of letters conveying property, and the safe remittance of money by means of post-office orders," and they further request that they may be furnished with a statement of the cash and securities now standing at the credit of this fund; and they add that my Lords are prepared to consider the cases which may be brought before them by the Postmaster General of those clerks who, under the present arrangement, have enjoyed a beneficial interest in the revenue of the fund.

1610. In fact, the matter is still under discussion between the two departments?—Yes; I think the Treasury have decided that the proceeds of the fund will go to the Exchequer. I consider that the Treasury has come to that decision.

1611. At all events, there is no Minute yet which goes that length, is there?—There has been a previous Minute. In that previous Minute we informed the Postmaster General, that "In accordance with the recommendation of the Committee the amount of void money orders may be paid over to the Exchequer as extra receipts from the commencement of the next financial year."

1612. Then the decision of the Committee is to be abided by?—Yes.

VOTE 4.

1613. *Chairman* (to Mr. *Chetwynd*).] The report of the Comptroller and Auditor General says, "It will be observed by the statement of 'Extra Receipts,' which accompanies this account, that a very large sum is paid out of the Vote for this service, which, when repaid, is carried to the credit of 'Extra Receipts,' so that the Appropriation Account exhibits expenditure far in excess of the actual amount required for the management of the Post Office Packet Service;" have you anything to say about that?—It is done in accordance with the Treasury Order.

1614. Mr. *Candlish* (to Mr. *Foster*).] Do the Treasury intend to adhere to that course of procedure with regard to paying extra receipts to the Exchequer?—I cannot say whether the Treasury will adhere to it; I hope they will.

1615. *Chairman.*] There is a Vote taken for the whole of the estimated amount, and then the sums received from the Indian Government and other sources are paid in as extra receipts?—As contributions.

1616. And there is a foot-note to the Estimate explaining that?—Yes.

1617. Mr. *Candlish* (to Mr. *Chetwynd*).] Would it not be a better arrangement if it so stood in the account as that the actual cost of the Post Office might appear?—We show the actual cost of the Post Office in the Postmaster General's Annual Reports.

1618. Mr. *Sclater-Booth* (to Mr. *Foster*).] So do the Commissioners of Customs, do they not; they contend that the net cost is shown?—In their report.

1619. You do not hold to their per-centage?—I think that it is fallacious. No two people would agree as to what is the net cost.

1620. Mr. *Candlish.*] Could Parliament have put before it year by year, not balances, but the actual cost?—I think that a statistical statement might be prepared, showing within a fair margin what the net expenditure of the different departments would be; but it would be more matter of opinion than of fact.

1621. But really the estimate submitted to Parliament in the total sum is very much in excess of the actual cost?—In many cases it is so. In some cases it would be less than the actual cost, because part of the expenditure is borne by another department.

1622. Whenever these repayments of expenditure from one department to another go into the Exchequer, that would swell the amount of total expenditure?—Yes, it would.

1623. That happens to a very large extent, does it not?—I do not think that there are many cases where one department pays money over to another department.

1624. *Chairman.*] There was a Vote that we postponed the other day of Class 3, Vote 34, "Dundrum Criminal Lunatic Asylum, Ireland"; you undertook to write for explanation of some of the items?—We did have a reply, but I am sorry to say that it was very little more satisfactory than the previous one. I am afraid that I have not the reply with me, but it would not enlighten the Committee if I were able to read it.

1625. Mr. *Stansfeld.*] You can tell us, I think, what arrangements are made, in the hope that this account will be satisfactory in future years?—There are certain inspectors who have been in the habit of superintending the accounts of the asylum, and it is arranged that the accounts shall continue to be inspected by these gentlemen, and I have no doubt that for the future the account will come prepared in a much better way.

1626. *Chairman* (to Sir *W. Dunbar*).] On Vote 17, Class 2, the "Exchequer and Audit Department," there was a question postponed as to what should be the arrangements about rendering the account and auditing; I think it was suggested that that should be considered by the Treasury and the Comptroller and Auditor General; has any

any discussion taken place between the departments?—No, I think it was postponed for the consideration of the letters which I laid before the Committee; certain letters which passed between the Treasury and the Exchequer and Audit Department, explaining the nature of the question which had arisen between the two departments.

1627. But a suggestion was made that some independent person might be called in to assist in the audit; have you considered who that person might be?—That would be, to a certain extent outside the Act. I find that the account takes about three or four days to audit, so that, in fact, the expense of a second examiner would be trifling; but I do not think that that would be necessary. It appears to me that, supposing Mr. Ryan to remain the accountant, he might be required, as the Accountants General in the Army and Navy are, to put a certificate to this effect: "We, the undersigned, declare to the best of our knowledge and belief that no part of the expenditure contained in the above Army Appropriation Account has been incurred without authority superior to that of the department in cases where such superior authority is required by the regulations." That is signed in the case of the Army Appropriation Account by the Accountant General and the Chief Auditor of Army Accounts.

1628. You would propose to adopt the security taken in the Army and Navy Account for the Exchequer and Audit Department?—Yes.

1629. (To Mr. *Foster.*) Have you anything to say to that?—I do not place much faith myself in certificates; but I see no harm in Mr. Ryan, if he remains the accountant, subscribing to such certificates.

1630. Do you think that so long as it remains the practice with regard to the Army and Navy Account, it might be adopted with regard to the Exchequer and Audit Department Account?—Yes, it might.

1631. Mr. *Sclater-Booth.*] That would not affect the real question at issue, would it?—No. (Sir *W. Dunbar.*) In connection with that, I would direct the attention of the Committee to my Report, on page 88: "This is the first account of this service prepared as an Appropriation Account, and as appertaining to the expenditure of my department it has been very carefully checked both as to accuracy and the requirements of Treasury authority." They would therefore have the attestation of two separate parties. I ought to mention also that upon the last occasion the Financial Secretary put a question to me, which I was then cautious in answering. I stated in my answer that the control of the Treasury had been more apparent than real; I find that my answer ought to have been more real than apparent. As the head of my department I may authorise, indeed every chief of a department is entitled, as the Votes are administered, to authorise, expenditure for the various purposes included in the Estimates, provided it does not exceed the limits of each sub-head; but by transferring the administration of the Vote, I should require the sanction of that department to the Treasury to every item of expenditure, to the inconvenience of both departments. Practically, therefore, the Comptroller and Auditor General would be dealt with as simply a subordinate officer of the Treasury, subject to its control; so long, however, as the Comptroller and Auditor General has the power of reporting, I do not think that there is much apprehension of any abuse of power on the part of the Treasury or any other department which might have the administration of the Vote. (Mr. *Anderson.*) There is an observation made by Mr. Foster which I think I should not pass over. He says that he has no faith in these certificates; now I have the greatest confidence in them, and I think the best proof that the officers referred to do their duty is, that last year in the account for the Navy, the Accountant General refused to sign the certificate, because he was not satisfied that the regulations had been complied with. (Sir *W. Dunbar.*) I must say that I do not personally object to the transfer. I may mention that the Audit Vote was administered by the Treasury up to 1854 or 1856, but they found it so inconvenient that they transferred the administration of the Vote to the late Commissioners of Audit.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*

15 June 1870.

Friday, 17th June 1870.

MEMBERS PRESENT:

Mr. Candlish.	Mr. Pollard-Urquhart.
Lord F. Cavendish.	Mr. Sclater-Booth.
Mr. A. Egerton.	Mr. Seely.
Mr. Ward Hunt.	Mr. Stansfeld.
Mr. Liddell.	

THE RIGHT HONOURABLE GEORGE WARD HUNT, IN THE CHAIR.

Mr. HENRY W. S. WHIFFIN, called in; and Examined.

Mr. *Whiffin.*

17 June 1870.

1632. *Chairman.*] THE Report of the Comptroller and Auditor General on the Army Appropriation Account states in the first paragraph "that the Account of the Receipt and Expenditure for Army Services for the year 1868-9, was not delivered at the period fixed by the Exchequer and Audit Departments Act, 1866, namely the 31st of December 1869"; was there any reason why the date fixed by the Act was not complied with?—It was a very exceptionally heavy account for the year, in consequence more particularly of the introduction of the expense of the Abyssinian Expedition. And the question was referred to the Treasury as to whether it was desirable to classify that expenditure under the sub-heads of the vote, and the answer of the Treasury was not received until the 14th of December. The Account was delayed in consequence, and was rendered on the 15th of January 1870; but I have no doubt that in succeeding years we shall be able to render it within the time prescribed by the Act.

1633. Mr. *Pollard-Urquhart.*] The expenditure in consequence of the Abyssinian Expedition has not been classified under the sub-heads of the vote, has it?—It was found quite impracticable to make that classification in consequence of the vouchers, which had been forwarded from India, embracing services of every description. It would have led to an analysis which it would have occupied months to carry out.

1634. Referring to paragraph 3 of the Report of the Comptroller and Auditor General, he says towards the end, "and it is noticed that certain discrepancies appear in these columns" (namely, the columns of expenditure, in consequence of the Abyssinian Expedition); "for instance, under Vote 1, page 1, the extra expenditure for Abyssinia is stated to be 194,728 *l.* 13 *s.* 9 *d.*, while at page 11, showing the expenditure under the sub-heads of the same vote, two sums are charged in respect of the Abyssinian Expedition, which amount together to 196,389 *l.* 13 *s.* 10 *d.*" These descrepancies exist, I observe, in several of the accounts of the Abyssinian Expedition; can you explain them at all?—If you will allow me I will give a written explanation. I have not looked into this Account; the first time I have seen it has been this morning. I was served with a notice to attend here on the Army Estimates; I was not aware that the Account was going to be taken into consideration.

1635. *Chairman.*] Have you a written explanation ready?—No; I will put it in in answer to the question either on another day or when the evidence is sent to me for correction.

1636. Mr. *Pollard-Urquhart.*] Just to illustrate what I mean, will you turn to page 30 of the Account?—I have it.

1637. You see there, "Advances by the Local Government of India on Account of the Expenses incurred for the Abyssinian Expedition, 170,079 *l.* 17 *s.* 2*d.*;" a little lower down you will see "Charges for Abyssinia, 194,728 *l.* 13 *s.* 9 *d.*" I want you to reconcile those two amounts?—The explanation is that the sum of 170,079 *l.* 17 *s.* 2 *d.* is the amount expended through the Indian Accounts which have been rendered to us, and the 194,728 *l.* 13 *s.* 9 *d.* includes that sum, and also sums which had been paid direct out of Army Services for the Abyssinian Expedition, such, for instance, as batta paid to regiments that returned from Abyssinia to England; they were paid in this country.

1638. The latter, I suppose, being so mixed up with the charges for ordinary expenditure, that it was found impossible to discriminate between the two?—There is no detail furnished of the 170,079 *l.* 17 *s.* 2 *d.*, because it includes all the services comprehended under Vote 1.

1639. I look upon the 170,079 *l.* 17 *s.* 2 *d.* as a sort of repayment to the Indian Government; but then I want to know about the difference of 24,600 *l.* between the two amounts?—The 24,600 *l.* is the sum paid in this country for the same services. For instance, a great many of the officers on the staff returning to this country were paid direct by the War Office, and that sum of 170,079 *l.* 17 *s.* 2 *d.* is the sum actually paid by the Indian authorities in India or Abyssinia.

1640. I suppose the 24,600 *l.* expenditure is so mixed up with other expenditure for ordinary services that you found it quite impossible to give the two separately?—There would be no difficulty in giving the detail of the 24,600 *l.*, because it has been placed in the books from the audited vouchers, which passed through our War Office, but there would be great difficulty in giving the detail of the 170,079 *l.* 17 *s.* 2 *d.* paid in India and Abyssinia.

1641. It is an item of expenditure?—Yes, and comprehends expenditure under every item of the

the vote. Staff pay, batta, and every kind of allowance the troops are entitled to.

1642. The same explanation will account for the apparent discrepancies on the other votes, I suppose?—I have no doubt it will.

1643. *Chairman.*] On page 28 there appears a sum of 26,309 *l.* 16 *s.* 8 *d.* for "Special Allowances to European Troops serving in the Abyssinian Expedition;" that is under the head of Batta?—Yes, that is the batta allowance.

1644. Then there is the 170,079 *l.* 17 *s.* 2 *d.*, to which the honourable Member has just referred, on page 30?—Yes.

1645. Ought these two sums together show the whole of the extra charge for Abyssinia?—I have no doubt that there have been some credits which have been abated from that total sum, making the net sum of 194,728 *l.* 13 *s.* 9 *d.*, as shown on page 30. The two sums stated on pages 29 and 30 would make a total of 196,389 *l.* 13 *s.* 10 *d.*

1646. That is the sum mentioned in the third paragraph of the Comptroller and Auditor General's Report?—Yes.

1647. Then he says, "Under Vote 1, page 1, the extra expenditure for Abyssinia is stated to be" less than that amount, namely, 194,728 *l.* 13 *s.* 9 *d.*?—I have no doubt that that arises from some sums which have been placed on the credit side of the accounts, but I can furnish that information either in my corrected evidence, or on the next occasion when the Committee meets.

1648. Mr. *Pollard-Urquhart.*] Will you turn your attention to pages 10 and 11, to letters Nos. 2 and 3, which is the correspondence referred to in the Report of the Comptroller and Auditor General; you see that the conclusion of letter No. 3, signed by Mr. Hamilton, says, "I am at the same time to transmit to you a copy of a report by the Auditor General on the subject; and as regards the explanatory paper suggested therein, for the information of the Public Accounts Committee, I am to request that you will inform my Lords if there will be any difficulty in preparing it in time for use"; I presume that the report referred to therein is that letter dated the 6th of December, at the bottom of the preceding page, signed by Mr. Ryan?—That refers to the classification of the expenditure for the Abyssinian War, under the different sub-heads of the Vote. Mr. *Whiffin.* 17 June 1870.

1649. But when it speaks of a "Report by the Comptroller and Auditor General," I suppose it relates to the letter dated the 6th of December, which is the preceding letter in the correspondence; are you able to give us any information upon the subject?—This letter from the Exchequer and Audit Department relates to the propriety of classifying the expenditure under the different heads of service.

1650. My question was, whether that letter from the Exchequer and Audit Department is the report referred to in the concluding paragraph of letter No. 3, signed by Mr. Hamilton?—I presume it is; the margin refers to a letter of the 6th of December, and the letter to which you refer is the only letter of that date in this correspondence.

1651. You see something about an "explanatory paper suggested therein," and you also see an "explanatory paper suggested" in the last paragraph of letter No. 2; has that explanatory paper been prepared to be submitted to the Committee?—I am not aware.

Mr. Henry Thomas Dundas Bathurst, called in; and Examined.

1652. Mr. *Pollard-Urquhart.*] Has an explanatory paper, which is suggested in the concluding paragraph of the letter from the Exchequer and Audit Department, at the bottom of page 10, dated the 6th of December 1869, been prepared?—I am not aware that it has. Mr. *Bathurst.*

1653. Mr. *Liddell* (to Mr. *Whiffin*).] A question arises upon the next letter from the War Office, dated the 10th of March, in which reference is made to an Act, the 30 & 31 Vict. c. 110; is that an Act regulating the pay of enrolled pensioners?—I am not aware; I have not seen anything of this account until this morning; that was the first time it was put into my hands, and I can give very little information upon any detail of the correspondence which has been raised upon the account. I have only taken over the appointment of Accountant General in the last fortnight or three weeks. The whole of this matter has been in the late Accountant General's hands, and I have not been cognizant of it until very recently. I may further state that the notice served upon me was that I was to be examined upon the Army Estimates, and I came prepared with information upon that point, but if you would postpone this subject, and take evidence upon it another day, I should be quite prepared to give the very fullest detail upon the different questions raised in the Comptroller and Auditor General's Report.

1654. *Chairman.*] Will not the bookkeeper be able to give that information?—I have no doubt he will be able to give some detailed information.

Mr. Morgan Hugh Foster, C.B., called in; and Examined.

1655. Mr. *Liddell.*] If you refer to page 11 of the Appropriation Account, in the correspondence of the Comptroller and Auditor General with the War Office, you will see that a reference is made in the letter of the 10th March 1869 to the Act of 30 & 31 Vict, c. 110; is that Act an Act regulating the pay of enrolled pensioners?—It is an Act, I believe, which relates entirely to the reserve forces, and places them under a different system of inspection which necessitates a distribution of charges different from that which was provided for under the Estimates. It was an entire re-organisation of the reserve forces which made it difficult to retain in the accounts the subdivisions which had been given in the original Estimates for that year. Mr. *Foster.*

1656. Then it was an Act which involved an alteration in the mode of charge under these different heads, I presume?—Exactly.

1657. *Chairman.*] In fact, the alteration of the organisation rendered indispensable an alteration in the Account?—Yes, that followed.

Mr. *Whiffin.*
Mr. *Foster.*
17 June 1870.

1658. Mr. *Liddell.*] I see, in a subsequent portion of the same letter, that the result of the instructions based upon that Act "is, that no distinction has been made between the charges for the men of the old and new organisation in the accounts rendered by them;" therefore, to that extent it appears that there is no alteration; I do not quite reconcile that statement with the answer which you have just given?—I think I can reconcile it.

1659. *Chairman.*] I understand that paragraph to mean this, that the account was made out as if the men employed under the old organisation had been employed under the new?—The accounts sent in by the staff officers of pensioners, did not keep up the distinction which would enable the accounts to be placed under the same classification as the Estimates.

1660. So that after the Act was passed, the account was made out as if that Act had been in force from the beginning of the financial year; that is the case, is it not?—Yes.

1661. Mr. *Pollard-Urquhart.*] I suppose we are to regard the present arrangement, with respect to showing the expenditure in the annual statement of savings and deficiencies as one sum instead of two, as merely temporary?—It is merely temporary during the change from the old arrangement to the new arrangement.

1662. *Chairman.*] With reference to questions about extra receipts, the Treasury have power, under an Act of Parliament, to give directions to the different departments with regard to the disposal of extra receipts, have they not?—They have.

1663. Lord *F. Cavendish.*] Have all the points relating to that subject, raised by the Comptroller and Auditor General in his report, since been decided?—The Treasury have, I think, in every case decided in favour of the view taken by the Comptroller and Auditor General.

1664. Mr. *Liddell.*] There is rather a remarkable letter, at the bottom of page 12, from the War Office, in which it is contended by Mr. Secretary Cardwell that, "the excess of fines levied upon the pensioner beyond his pay is applicable to his receipts from the public for the full period of training"; that is rather a difficult phrase to understand, but am I right in supposing that the excess of fine levied upon a pensioner, beyond his pay, is virtually a deduction from his pension?—I imagine the explanation to be this, that the pensioner receives certain pay while he is out for training, and the War Office were of opinion that the fines levied upon the pensioner should go towards meeting his pay.

1665. In aid of the vote?—Yes; and in some cases the fine actually exceeds the amount of his pay for a particular period.

1666. But then it comes to this, that any excess of fines beyond his pay is a deduction from his pension; I cannot conceive that it can arise in any other way?—I should think that the meaning of this was, that the excess of fines might be considered to go in aid of the vote, because there had previously been a payment for training which had been charged against the vote.

1667. Mr. *Sclater-Booth.*] Would not the explanation be, that the fine might have been levied towards the end of his training, and then it was thought that the charge, beyond what was due to him, should go back in aid of the vote, because the previous pay had been taken?—I think that that is what is meant, but it is not quite clear.

1668. *Chairman.*] However, the Treasury have decided that it is to be treated as an extra receipt, and it has been so treated, I suppose?—Yes, it has been so treated.

1669. Mr. *Liddell.*] Referring to page 15, there is a letter from the War Office, dated the 28th of January, in which the Secretary of State says, that "army grants have to bear the liabilities arising from the transactions of prior years"; I want to know whether liabilities arising from the transactions of prior years are held to be, as it were, the first lien upon the vote for the current year, or whether they can only be met in the event of savings accruing under the different heads of the vote?—They may be treated as the first lien, or a lien amongst other charges coming in course of charge at that date. They are not intended to be met merely out of savings.

1670. Then they are considered strictly in the light of a first charge upon the vote for the current year?—You may say so. If the account to which they apply is closed, they, as a matter of course, fall into the first account which is open.

1671. Then supposing the whole vote for the year to be reduced, which it necessarily must be, inasmuch as provision is only made in the vote of the year for the actual requirements of the year, a deficiency must occur upon the whole vote, and that, I presume, would be required to be supplied upon a supplemental estimate furnished to Parliament, and by a supplemental vote being taken?—If there were an excess, it would require to be supplied either by a supplemental vote or an excess vote.

1672. *Chairman.*] But that would only be, of course, supposing the Treasury declined to sanction the transfer of the charge from one vote to the other, or in case of the whole vote not being equal to it?—Yes. In order to bring that about, the whole vote must be exceeded.

1673. Either the whole vote must be exceeded, or the Treasury must have refused to sanction a transfer from the one vote to the other?—Yes.

1674. Mr. *Liddell.*] Supposing savings to arise upon different votes sufficient to meet the liability carried over from a previous year, would it be in the discretion of the Treasury to apply those savings to meet that deficiency?—Yes.

Mr. JOHN HANBY, called in; and Examined.

Mr. *Hanby.*

1675. *Chairman.*] If you refer to the third paragraph of the Report of the Comptroller and Auditor General on the Appropriation Account of the Army Services for the year ended 31st March 1869, you will see that he notices a discrepancy between two statements of extra expenditure for Abyssinia; under Vote 1, page 1, it is stated to be 194,728 *l.* 13 *s.* 9 *d.*, while at page 11, showing the expenditure under the subheads of the same vote, two sums are charged in respect of the Abyssinian Expedition which amount together to 196,389 *l.* 13 *s.* 10 *d.*; can you give

give any explanation of that discrepancy?—It has arisen from certain credits on account of travelling expenses. Cash advances by way of imprests were issued to certain officers, and, on the allowance of their accounts, nett sums were passed to account in the preceding year. When the imprests charged against the various officers were cleared, it was necessary to extend the amounts previously paid; consequently, in the present "Appropriation Account," a credit appeared to a corresponding extent, and therefore, taking that into consideration with reference to the aggregate charges for the Abyssinian Expedition, a less amount was shown than these two sums together make up.

1676. I suppose there ought to have been an explanation given by a note upon the account to show how the discrepancy arose?—It would have been desirable to have appended a note for that purpose.

1677. Mr. *Pollard-Urquhart.*] Will you turn your attention to page 32 in this Account; there also we see a discrepancy between the charges for the Abyssinian Expedition in the two different columns; in the one the advances by the local Government of India are 1,257,039*l.* 13*s.* 9*d.*, and just below the item of "Charges for Abyssinia," is 1,276,289 *l.*; I do not see any expenditure for Abyssinia shown under any other head; can you explain that?—That difference merges in the other charges; there were selections made; some of the charges were on account of the purchase of animals in various parts of the world, which came in course of settlement in 1868–9; and therefore they went for the most part against transports, and the contingencies went to other items, therefore the difference is only a selection.

1678. The advances by the local Government of India on account of the Abyssinian Expedition were only a part of the whole charge of 1,276,289 *l.*?—They were only a part of that; the difference was paid out of the army grants; a note there also might have been desirable.

1679. There might have been an explanation showing how the balance was made up?—Yes.

1680. As you do know the exact balance, I suppose you would have had no difficulty in classifying it under the different heads?—We could prepare a statement to show that. (Mr. *Whiffin.*) But only to the extent of the difference.

1681. *Chairman.*] I think on pages 36 and 38, you will also find discrepancies; I suppose the same explanation applies to them; there is a very small discrepancy on page 36, between the advances by the local Government of India for the Abyssinian Expedition, which amount to 81,897 *l.* 8 *s.* 4 *d.*, and the "Charges for Abyssinian War," which amount to 81,904 *l.* 0 *s.* 4 *d.*; that is a difference of only about 7 *l.*?—The same explanation which I have given applies to this, and to other similar cases all through the account.

1682. The amount of the advances by the local Government of India does not profess to cover the whole expenditure on account of the Abyssinian Expedition?—No.

1683. There was a correspondence between the Treasury and the War Office with regard to the charges for the Abyssinian Expedition, which we find on pages 156 and 157?—Yes.

Mr. *Whiffin.*
Mr. *Hanby.*
17 June 1870.

1684. The decision of the Treasury then was, in accordance with the determination of the Treasury when the Abyssinian Expedition was, first commenced, that the expenditure on account of the Expedition should be defrayed out of the ordinary grants for the year, as far as they would go?—Yes, that was the understanding.

1685. And that any excess beyond that was to be defrayed out of the Vote of Credit?—Yes.

1686. But the ordinary grants of the year, so far as they would go, were to be charged with the expenditure of the Expedition?—Precisely.

1687. Therefore you would expect, under the different sub-heads of the ordinary grants, to learn that part of them comprised expenditure for the Abyssinian Expedition?—Exactly.

1688. And it would be spread over the different items, according to the nature of the service?—Just so.

1689. Mr. *Pollard-Urquhart.*] Reverting to page 10 of the Army Appropriation Account, in the concluding paragraph of letter No. 2, signed by Mr. Ryan, it is stated, "The Comptroller and Auditor General would likewise suggest that an explanatory paper showing the expenditure for the Abyssinian Expedition under the sub-heads similar to that contained in the Appendix to the Reports of the Committee of Public Accounts in 1869, should be prepared and laid before the Public Accounts Committee in the next Session of Parliament;" has such an explanatory paper been prepared?—Not yet.

1690. Is it in course of preparation?—It will be prepared at the request of the Committee, as it was last year.

1691. *Chairman.*] Has no direction been given by the Government upon the subject?—None whatever, because we supposed that the Treasury communications would meet all requirements. It was in a very great measure a detailed classification with regard to the Indian charges; therefore, if we were to prepare anything detailed from the account at large, it would not be a perfect document according to the programme contained in the Army Estimates.

1692. But I suppose a full account might be given under the classification which has been made use of in India, when the accounts have been sent home?—Yes; but it would take a very long time to make it at all agree with the sub-heads contained in the Army Estimates.

1693. But I say that, without arranging it under the sub-heads contained in the Army Estimates, an account could be given with the classification made use of by Mr. Turner in India in the accounts which he sent home?—Yes.

1694. Has such an account been furnished?—Not yet.

1695. Has it been made up?—Not yet.

1696. When could it be made out?—It is a very difficult thing to say.

Mr. Charles Turner, called in; and Examined.

Mr. *Whiffin.*
Mr. *Hanby.*
Mr. *Turner.*
Mr. *Knox.*

17 June 1870.

1697. *Chairman.*] Has any account, such as we are inquiring about, been laid before the Abyssinian Committee?—A Paper has been prepared showing the expenditure in India.

1698. To be laid before the Abyssinian Committee?—Yes; it was printed with their first Report.

1699. That will give all the information we should get, I suppose, if the suggestion which has been made, were complied with?—That Paper will show the expenditure through the whole of the Indian Accounts.

1700. Classified?—Yes. This account, I presume, would have reference only to the charges in the Army Account for this year. Of course the two would differ considerably. (Mr. *Hanby.*) In that case, what the War Office would have to contribute would be but small, as you will see by the amounts of the differences.

1701. (To Mr. *Turner.*) Is the Paper laid before the Abyssinian Committee in print?—It is; it is printed in the Appendix to the Report of that Committee of last Session. I might perhaps say that that statement is in the very greatest detail that could possibly be given. It includes both army and navy expenses. (Mr. *Whiffin.*) To divide the expenditure under the sub-heads of the vote would require an immense amount of time; it would involve a complete re-analysis of about from 40,000 to 50,000 vouchers.

1702. Lord *F. Cavendish* (to Mr. *Hanby*).] Did the explanatory Paper, prepared for this Committee last year, take a great deal of labour in preparing?—I should think that it must have taken 10 days.

1703. *Chairman* (to Mr. *Turner*).] If the suggestion of the Comptroller and Auditor General, contained in his letter of the 6th of December 1869 to the Treasury, were adopted, would the whole of the vouchers have to be again gone through and the account analysed, and a new classification made?—I presume the Comptroller and Auditor General would desire that the Indian expenditure should be shown under the same heads as the home expenditure. If so, I think it would be almost impossible to produce such a document, for the charges in India differed very materially from those in England; under the same vote there would be all kinds of minor headings, which would clash altogether with the home classification.

1704. Mr. *Pollard-Urquhart* (to Mr. *Whiffin*).] Will you turn your attention to the concluding sentence of the letter No. 22, at page 19; it says, "As a doubt has been entertained about the accuracy of the proceedings in these matters, the Secretary of State will cause an inquiry to be made as to the best manner of drawing a distinction between the two classes of stores, and of prescribing the manner in which the expenditure should be reported to Parliament, the result of which will be duly communicated to you;" you inform the Committee whether such an inquiry has been made, and if so, whether the result has been communicated to the Comptroller and Auditor General?—There is a committee sitting at Woolwich on this question, and it is reported that a report will be made in the course of a week or two, and arrangements have been made in the Estimates for next year with respect to it.

1705. Then you think that the Secretary of State will be in a more satisfactory position to decide upon the best mode of making this classification after this committee, to which you refer, has finished its sittings?—No doubt.

1706. Lord *F. Cavendish* (to Mr. *Knox*).] With regard to Vote 14, at page 110, there is an excess of 16,620 *l.* 17 *s.* 1 *d.* on the Vote for "Improvement of Defences at Quebec," and at page 141, I see that the sanction of the Treasury was requested to that excess being provided for out of this vote, on the understanding that explanations of this large excess of expenditure were to be sent to the commanding officer from Canada; was that explanation sent in?—The excess of expenditure in that case is not an excess of expenditure upon the work; it is an excess of expenditure above the amount which was voted to be spent in that year. There was no excess upon the work, but it was found convenient in Canada to progress with the work more rapidly than was expected, and the Commanding Royal Engineer undertook, upon his responsibility at the time, that the works should go on.

1707. Mr. *Sclater-Booth.*] In fact he has sent in the explanation which was alluded to in the letter from the War Office?—Yes.

APPENDIX.

LIST OF APPENDIX.

Appendix, No. 1.

Papers handed in by Mr. James Beeby, 18 May 1870 : Page

Letter from the Secretary to the Treasury to the Secretary to the Exchequer and Audit Department, dated 3 March 1868 - - - - - - - - - - - - 119
Letter from Mr. W. Law to the Comptroller and Auditor General, dated 25 March 1870 119
Letter from the Assistant Comptroller and Auditor to the Secretary to the Treasury, dated 12 April 1870 - - - - - - - - - - - - - - 120
Letter from the Secretary to the Treasury to the Comptroller and Auditor General, dated 5 May 1870 - - - - - - - - - - - - - - 120
Letter from the Secretary to the Treasury to the Secretary to the Exchequer and Audit Department, dated 5 May 1870 - - - - - - - - - - - - 121

Appendix, No. 2.

Papers handed in by Sir William Dunbar, 25 May 1870 :

Account of the Secretary of State for Foreign Affairs in respect of Secret Service Money, for the Year ended 31st March 1870 - - - - - - - - 122
Foreign Office—Secret Service - - - - - - - - - - - 123
Home Office—Secret Service - - - - - - - - - - - - 123
Colonial Office—Secret Service - - - - - - - - - - - 124

Appendix, No. 3.

Paper handed in by Mr. Pigott, 25 May 1870 :

Memorandum for Digby P. Starkey, Esq., Accountant General, Court of Chancery - 124

Appendix, No. 4.

Paper handed in by Mr. Ryan :

Letter from the Secretaries to the Commissioners of National Education, Ireland, to the Secretary to the Exchequer and Audit Department, dated 2 June 1870 - - - 125

Appendix, No. 5.

Paper handed in by Mr. Blackwood :

Letter from the Secretary to the Exchequer and Audit Department to the Secretary to the Treasury, dated 6 April 1869 - - - - - - - - - - 126

APPENDIX.

Appendix, No. 1.

PAPERS handed in by Mr. *James Beeby*, 18 May 1870.

(Treasury No. 2869–68.)
(No. 548.)

LETTER from the Secretary to the Treasury to the Secretary to the Exchequer and Audit Department.

Sir, Treasury Chambers, 3 March 1868.

I AM commanded by the Lords Commissioners of Her Majesty's Treasury to transmit to you, for your information, the form of account which it will be your duty to render quarterly after the 1st of April next, to the Comptroller and Auditor General, of the Parliamentary grant for the expenses of the Audit Office; and I am to state that the Commissioners on Public Accounts will be instructed to render you such assistance as is necessary in the preparation of any books that may be required for the purposes of the account. Under Act 29 & 30 Vict. cap. 39.

I am to desire that the Paymaster General may be informed of the names of the persons who will be authorised to sign and countersign orders for payment out of the funds voted by Parliament; and I am to state that he will be directed to return to you monthly all such orders, with the acquittances of the parties to whom payments have been made, in return for which I am to direct you to furnish him with a certificate of the amount of the vouchers which have been examined and passed by you.

The Paymaster General will also be instructed to acquaint you, at the same time, with the amounts which have been drawn from the Exchequer on account of the grant for the expenses of your office.

I have, &c.
(signed) *George Ward Hunt.*

The Secretary to the
Exchequer and Audit Department.

(Treasury No. 5764–70.)
(No. 590.)

LETTER from Mr. *W. Law* to the Comptroller and Auditor General.

Sir, Treasury Chambers, 25 March 1870.

I AM commanded by the Lords Commissioners of Her Majesty's Treasury to acquaint you, that the attention of their Lordships has been directed to the arrangements under which the Parliamentary grant for the salaries and expenses of the Exchequer and Audit Department is accounted for by yourself.

The consequence is, that you are charged at the same time with the duty both of accounting for and auditing the expenditure of that grant, a course of proceeding which their Lordships conceive to be at variance with the objects contemplated by the Exchequer and Audit Departments Act, 1866.

At the time when, under the provisions of the 22nd Clause of the Act, their Lordships determined the departments by which the different Appropriation Accounts should be prepared and rendered, they overlooked the anomaly that you, who examine all such accounts on behalf of the House of Commons, would, if you also prepared and rendered the account of the grant for your own department, be so far examining your own account.

Their Lordships therefore, now that their attention has been called to the point, consider that an arrangement ought to be made which shall be less open to such an objection; and they are pleased to direct that the account in question shall be henceforward prepared and rendered to you by this department.

I am to desire that the necessary arrangements may be made in accordance with this decision, so as to commence on the 1st of April next.

I have, &c.
(signed) *William Law.*

The Comptroller and Auditor General.

Appendix, No 1. (No. 590.)

LETTER from the Assistant Comptroller and Auditor to the Secretary to the Treasury.

Exchequer and Audit Department,
Sir, 12 April 1870.

I AM directed by the Comptroller and Auditor General to acknowledge the receipt of Mr. Law's letter of the 25th ultimo, in which it is stated that the attention of their Lordships has been directed to the arrangements under which the Parliamentary grant for the expenses of this department is accounted for by the Comptroller and Auditor General himself, and that their Lordships are of opinion that such a course of proceeding is at variance with the objects contemplated by the Exchequer and Audit Departments Act.

I am directed by the Comptroller and Auditor General to request that you will inform their Lordships that they are under some misapprehension as to the course pursued in this department in conducting the audit of the payments in question.

The anomaly which it is proposed to correct was both foreseen and intended to be provided against by Mr. Ward Hunt, upon whom, as Secretary of the Treasury, devolved the responsibility of considering and settling the many difficult points which occurred in carrying the Exchequer and Audit Departments Act into execution.

On reference to his letter, dated the 3rd of March 1868, their Lordships will observe that an officer of this department was appointed by the Treasury to render an account to the Comptroller and Auditor General, according to a form prescribed by their Lordships, at stated periods, showing the expenditure out of the Parliamentary grant. The account of this officer, when rendered in accordance with their Lordships' instructions, is subjected to an independent examination, and the accountant is bound to produce, in support of his account, all necessary vouchers and Treasury authorities, in precisely the same manner as every other person who renders accounts to this department for audit. The inspector charged with the examination of the account, when he has fully satisfied himself that it is in every respect correct, submits the same for allowance, under the same regulations as are applicable to all other similar accounts.

The Comptroller and Auditor General cannot, therefore, admit that their Lordships are correct in stating "that the grant for the salaries and expenses of the Exchequer and Audit Department is accounted for by himself," nor can he admit that he "examines his own account,"

While the Comptroller and Auditor General has thought it right to explain the actual practice pursued with reference to the account, he directs me to state that, as he considers it of the utmost importance that the principle should be maintained which the Exchequer and Audit Departments Act was intended to enforce, namely, that no department should audit and allow its own expenditure, he can have no objections to offer to the proposal that the account shall, henceforth, be prepared and rendered by the Treasury Department, if their Lordships should remain of opinion that the regulations in relation thereto, laid down in Mr. Ward Hunt's letter above referred to, do not sufficiently meet the requirements of the Act. As, however, it does not lie with the Comptroller and Auditor General to release from his responsibilities the officer who has discharged the duty of preparing and rendering the account under the direct instructions of the Treasury, their Lordships will probably consider it proper to make the necessary communication to him withdrawing the authority under which he has hitherto acted, and, at the same time, to substitute such other regulations in reference to the payment of the official salaries and other expenses of this establishment as their Lordships may deem advisable to give effect to the suggested alterations in the mode of preparing and rendering the account.

I have, &c.
(signed) *W. G. Anderson*,
The Secretary of the Treasury. Assistant Comptroller and Auditor.

(Treasury No. 77725–70.)
(No. 876.)

LETTER from the Secretary to the Treasury to the Comptroller and Auditor General.

Sir, Treasury Chambers, 5 May 1870.

THE Lords Commissioners of Her Majesty's Treasury have had before them your report of the 12th ultimo, and I am to state, that their Lordships are glad to observe that, on the ground of the importance of maintaining the principle which the Exchequer and Audit Departments Act was intended to enforce, namely, that no department should audit and allow its own expenditure, you have no objection to offer to the arrangement communicated to you in the letter from this Board of the 25th ultimo, under which the account of the Parliamentary Grant for the salaries and expenses of your department should be henceforward prepared and rendered by the Treasury.

The course now pursued, by which the account is rendered by the Secretary of your Department to you, was directed to be adopted by their Lordships as the best expedient which occurred to them at the time when the arrangements for carrying the Exchequer and Audit Departments Act into operation were under their consideration; and they have no

no doubt that the audit of the account thus rendered has been conducted, as stated by you, in precisely the same manner as the audit of the Appropriation Accounts rendered to you by other departments.

Their Lordships consider, however, that the apparent anomaly should not be permitted to continue while it can be so easily remedied by transferring the duty of rendering the account in question to another department; and it appears to them of special importance that the grant for your department, which is charged with the duty of auditing the accounts of public expenditure, for all Imperial services rendered by a very large number of accountants, should be dealt with in such a manner as to remove every possible ground for objection.

The necessary directions for the transfer of the duty of rendering the said account will therefore be given by their Lordships.

I am to add, with regard to the arrangements for conducting the expenditure of the Grant for the present year, that it only appears to be necessary that the salary lists of your department should be transmitted to this Board about a week before the date on which they have been hitherto paid, and that periodical application should be made for the imprest of such sums as may be required to defray the incidental expenses of your department.

Any minor details of arrangement would be best settled by communication between such officer of your department as you may depute for the purpose, and the principal clerk of the financial division of the Treasury.

I have, &c.

The Comptroller and Auditor General. (signed) *James Stansfeld.*

(Treasury No. 7725-70.)
(No. 877.)

LETTER from the Secretary to the Treasury to the Secretary to the Exchequer and Audit Department.

Sir, Treasury Chambers, 5 May 1870.

WITH reference to the letter of this Board of the 3rd of March 1868, directing that the accounts of the Exchequer and Audit Department should be prepared and rendered by you for audit, from the 1st of April 1868, I am commanded by the Lords Commissioners of Her Majesty's Treasury to acquaint you, that their Lordships have been pleased to direct that the said accounts should be prepared and rendered to the Comptroller and Auditor General by this Board, from the 1st ultimo.

I have, &c.

The Secretary to the Exchequer and Audit Department. (signed) *James Stansfeld.*

Appendix, No. 2.

Appendix, No. 2.

PAPERS handed in by Sir *William Dunbar*, 25 May 1870.

ACCOUNT of the Secretary of State for Foreign Affairs in respect of SECRET SERVICE MONEY, for the Year ended 31st March 1870.

RECEIPTS:	£.	PAYMENTS:	£.
Received from Paymaster General	15,000	Expended within the Year - -	13,000
		Balance - - -	2,000
£.	15,000	£.	15,000

I hereby certify that the actual amount expended by myself, or under my directions, for Secret Service within the year ended 31st March 1870, was 13,000 *l.*, as above stated, and that the vouchers for the same, prepared in conformity with the Civil List Act, have been transmitted to the Exchequer and Audit Department.

30 November 1870. (signed) *Clarendon.*

FOREIGN OFFICE.—SECRET SERVICE.

Name of Accountant.	Period of Account.	Date of Delivery.	——
Viscount Palmerston -	6 July 1846 to 30 June 1849 -	5 July 1849	
Viscount Palmerston -	1 July 1849 to 26 Dec. 1851 -	23 June 1852	18 months, and 6 months after.
Earl Granville - -	26 Dec. 1851 to 27 Feb. 1852 -	24 Sept. 1852	14 months, and 7 months after.
Earl of Malmesbury -	27 Feb. 1852 to 28 Dec. 1852 -	21 Nov. 1853	10 months, and 10 months after.
Lord John Russell -	28 Dec. 1852 to 22 Feb. 1853 -	21 Nov. 1853	2 months, and 9 months after.
Earl of Clarendon - -	22 Feb. 1853 to 10 Feb. 1854 -	4 July 1855	Less than 12 months, and 16 months.
Earl of Clarendon - -	10 April 1854 to 31 March 1855	4 July 1855	11½ months, and 3 months.
Earl of Clarendon - -	1 April 1855 to 26 Feb. 1858 -	29 April 1858	35 months, and 2 months.
Earl of Malmesbury -	26 Feb. 1858 to 18 June 1859 -	28 June 1859	16 months, and 10 days after.
Lord John Russell -	18 June 1859 to 31 March 1861	12 June 1861	21 months, and 2½ months.
Earl Russell - - -	1 April 1861 to 31 March 1863	8 June 1868	2 years, and 2 months after.
Earl Russell - - -	1 April 1863 to 31 March 1865	10 May 1865	2 years, and 40 days.
Earl Russell - - -	1 April 1865 to 3 Nov. 1865 -	27 Nov. 1865	7 months, and 3 weeks.
Earl of Clarendon - -	3 Nov. 1865 to 6 July 1866 -	15 Jan. 1867	8 months, and 6 months.

HOME OFFICE.—SECRET SERVICE.

Name of Accountant.	Period of Account.	Date of Delivery.	——
Sir George Grey - -	5 July 1846 to 23 May 1849 -	15 June 1849	
Sir George Grey - -	23 May 1849 to 27 Feb. 1852 -	22 April 1852	
Right Hon. S. H. Walpole.	27 Feb. to 28 Dec. 1852 - -	31 Mar. 1853	10 months, and 3 months.
Viscount Palmerston -	28 Dec. 1852 to 8 Feb. 1855 -	30 Nov. 1858	
Sir George Grey - -	8 Feb. 1855 to 25 Feb. 1858 -	19 May 1858	
Right Hon. S. H. Walpole.	25 Feb. 1858 to 2 March 1859 -	29 Jan. 1862	13 months.
Right Hon. T. S. S. Estcourt.	3 March 1859 to 17 June 1859	30 Jan. 1862	
Sir G. C. Lewis - -	18 June 1859 to 24 July 1861 -	30 Jan. 1862	13 months, and 6 months.

COLONIAL OFFICE.—SECRET SERVICE.

Name of Accountant.	Period of Account.	Date of Delivery.	——
Earl Grey - - -	3 Nov. 1847 to 6 Oct. 1850 -	31 Oct. 1850	
Earl Grey - - -	6 Oct. 1850 to 26 Feb. 1852 -	21 May 1852	16 months, and 3 months.
Sir J. S. Pakington -	26 Feb. 1852 to 27 Dec. 1852 -	10 May 1853	10 months, and 4 months.
Duke of Newcastle -	28 Dec. 1852 to 12 June 1854 -	1 July 1854	18 months, and 3 weeks.
Sir George Grey - -	12 June 1854 to 9 Feb. 1855 -	22 Feb. 1855	8 months, and 14 days.
Sir George Grey - -	27 Feb. to 1 May 1855 - -	7 June 1855	2 months, and 5 weeks.
Lord John Russell -	1 May 1855 to 24 July 1855 -	9 Mar. 1857	15 months, and 8 months.
Sir W. Molesworth -	24 July 1855 to 22 Oct. 1855 -	20 Jan. 1857	14 months.
Right Hon. H. Labouchere	21 Nov. 1855 to 26 Feb. 1858 -	28 April 1858	
Lord Stanley - -	26 Feb. 1858 to 17 June 1858 -	11 Oct. 1859	15 months, and 4 months.
Sir E. B. Lytton - -	5 June 1858 to 17 June 1859 -	3 May 1860	12 months, and 11 months.
Duke of Newcastle -	18 June 1859 to 7 April 1864 -	5 Aug. 1867	
Right Hon. E. Cardwell	8 April 1864 to 5 July 1866 -	5 Aug. 1867	27 months, and one month.
Earl of Carnarvon - -	6 July 1866 to 7 March 1867 -	5 Aug. 1867	8 months, and 5 months.

Appendix, No. 3.

Appendix, No. 3.

PAPER handed in by Mr. *Pigott*, 25 May 1870.

MEMORANDUM for *Digby P. Starkey*, Esq., Accountant General, Court of Chancery.

I HAVE, as requested, examined the questions raised as to Vote No. 24, Court of Chancery (Ireland), Office of Clerk of the Custodies of Papers in Lunacy, and beg to submit the following observations:

1st Question.—*Whether any, and if any, what directions have been issued from the Treasury for carrying into effect Sections* 181, 182, *of* 30 *&* 31 *Vict. c.* 44 *?*

No such directions have reached the Lunacy Office.

2nd Question.—*What are the circumstances which are regarded as excluding the office of Custody of Papers in Lunacy from the provisions contained in the clauses referred to?*

There do not appear to be any such circumstances; on the contrary, Mr. Plunkett, Clerk of the Custodies, upon 14th December 1867, reported to the Treasury that the then Lord Chancellor (Mr. Brewster) was about to make a general order, bringing the office under the operation of the Act of 1867, and made a return as to salaries, by his Lordship's directions, upon which sums were voted for the office in 1868–69 (Vote 24), and again in 1869–70 (Vote 20).

The fees received in the office are all received under the Statute 4 Geo. 4, c. 61, an Act regulating the officers of the Court of Chancery in Ireland, and especially regulating the fees. Under this Act the Clerk of the Custodies and the Chief Clerk are both sworn in as officers of the Court to observe the Act.

It would probably be held that the provisions of the 181st Section of the Chancery (Ireland) Act, 1867 :—" That no officer of the Court of Chancery shall be entitled to receive or retain for his own use any fee or reward whatsoever," applies to the Lunacy Office, and that it is the duty of the Lord Chancellor and the Treasury, under the 181st Section, to fix the salaries of the officers.

This seems to be the first step to be taken in the matter. The saving in Section 182, of the right of the officer to his existing emoluments until the Lord Chancellor should make an order, was intended to cover the period between the passing of the Act and the fixing of the salary by the Lord Chancellor and Lords of the Treasury, under Section 181.

If this were once done, it appears to be the plain duty of the Lord Chancellor to make the order under Section 182.

The present Lord Chancellor, not having been aware of what had occurred in connection with the subject during his predecessor's period of office, and not having had the matter brought under his notice, nothing beyond what is mentioned above has been done by him. He, however, sees no objection to carrying the intentions of Mr. Brewster into execution, subject to the following qualification:

It has been for some time past in contemplation to carry out the plan of lunacy reforms, which was under the consideration of the English and Irish Law and Chancery Commission in 1866, though not reported on by them, to extend the Lunacy Acts, 1853 and 1862, to Ireland, with appropriate modifications. Steps have been actually taken in this direction, but have been delayed owing to the interference caused by the Church and Land questions, with all detail legislation.

As there does not appear to be any immediate prospect of the Lunacy Acts being extended to Ireland, the simplest way to carry the Act into effect would be to fix the salary of the Clerk of the Custodies at the average net income received by clerks of the custodies from the office during the past five years, the salary of the Chief Clerk to be regulated on the scale he is now in receipt of from the funds of the Court of Chancery, with the addition of his average receipts for the past two years from the fees of the office.

The Scrivenery Clerk should be paid on the scale he is now entitled to as a Scrivenery Clerk of the Court of Chancery, a sum for scrivenery equivalent to the average estimated amount received for scrivenery from the office for five years being added to the vote for incidental expenses of the Court of Chancery, to allow of his payment per folio from that fund in lieu of his payment from the fees of the office as heretofore.

It is to be distinctly understood that this fixing of salaries is to be provisional only, with a view to allowing the policy of the Act for at once terminating the interests of the officers in the fees of the office to be carried out, and that the whole subject of the duties and salaries

salaries of the office will be reconsidered when the extensive reforms in the Irish law as to the custody and care of lunatics contemplated by the Lord Chancellor have been effected, as these are calculated largely to increase the business and income of the office. Appendix, No. 3.

3rd Question.—*Whether any, and if so, what other officers besides the Chief Clerk of the above office are paid wholly or in part by fees?*

The Chief Clerk, as above explained, receives part of his emoluments from the fees of the office.

The Scrivenery Clerk's pay per folio in addition to his allowance as Scrivenery Clerk of the Court, also comes out of the fees.

The Clerk of the Custodies is entitled to the entire fees of the office for his own profits (less the payments thereout as above to the Chief Clerk and Scrivenery Clerk).

22 April 1870. *W. Neison Hancock.*

Appendix, No. 4.

PAPER handed in by Mr. *Ryan.* Appendix, No. 4.

The Secretaries to the Commissioners of National Education, Ireland, to the Secretary to the Exchequer and Audit Department.

Office of National Education, Dublin, Account, 1868-9.
2 June 1870.

Sir,

We received in due course your letter of the 30th ultimo, informing us that at a meeting of the Committee of the House of Commons on accounts, the account of the Vote for this Department, 1868-9, was under consideration, and that you were requested to obtain from us an explanation of the causes of the further excess on Sub-head L, in addition to the explanation given in our letter of the 25th May 1869. The excess therein referred to being 11,537 *l.* 18 *s.* 7 *d.*, whereas the total excess on the account, on Sub-head L, reached 15,845 *l.* 5 *s.* 1 *d.* No. 1073.

In answer to your communication, we are to observe that the explanation contained in our letter of the 25th May 1869, applied to 10 months only of the financial year 1868-9, and that the difference between the two sums, viz., 11,537 *l.* 18 *s.* 7 *d.* and 15,845 *l.* 5 *s.* 1 *d.*, was occasioned by the expenditure under the schedule for the remainder of that year, namely, for the months of February and March 1869.

On reference to the explanatory letter of the 25th May 1869, it will be seen that the increased demand for the new editions of the National School books caused a larger expenditure for stock to meet that demand than was anticipated when the estimate for this service was in preparation. We are also to call attention to the fact that although the expenditure under this head amounted to 41,297 *l.* 13 *s.* 1 *d.*, the receipts for the sale of books amounted to 17,074 *l.* 5 *s.* 1 *d.* And thus the total cost to the State was only 24,223 *l.* 8 *s.*, a sum under the amount set forth in the estimate.

We are, &c.
(signed) *James Kelly.*
W. H. Newell.

The Secretary,
Exchequer and Audit Department,
Somerset House.

Appendix, No. 5.

Appendix, No. 5.

PAPER handed in by Mr. *Blackwood.*

The Secretary to the Exchequer and Audit Department to the Secretary to the Treasury.

Exchequer and Audit Department, Somerset House,
London, W.C., 6 April 1869.

Sir,

I AM directed by the Comptroller and Auditor General to transmit herewith, for the consideration of the Lords Commissioners of Her Majesty's Treasury, the abstract state of the cash account of the Science and Art Department, from 1st April 1867 to 31st March 1868. The account has been very imperfectly rendered to this Department, and its examination has led to the discovery of the discrepancies and irregularities set forth in the following remarks and explanatory statements.

CHARGE.

Under the heads of Fees of Admission, Sale of Season Tickets, Rent of Refreshment Rooms, Receipts for Admission, Students' Fees, sums collected and certified to have been paid to, and acknowledged to have been received by, the Accountant in one month, are not entered in his account until the following month; other entries of a like description are three and four weeks in arrear of the dates when they are certified to have been paid to the Accountant; and the absence of dates in many other instances renders it impossible to verify the correctness of the entries.

DISCHARGE.

The Accountant's monthly accounts do not in some cases include the whole of his cash transactions, and in other cases they include transactions which do not properly belong to the month of account, viz.:

1. Payments are recorded in the account for the month following that in which the payments are made.

2. Payments are recorded in the month of account preceding that of the actual payment.

3. Credit is taken in one month for the payment of expenses incurred in the month following; it will thus be seen that the real balance in the hands of the Accountant at the end of these months respectively could not have been correctly shown.

IMPRESTS OR ADVANCES.

The manner in which these Imprests or Advances have been dealt with in the account appears to the Comptroller and Auditor General to be very irregular, as the accompanying statements marked A. and B., fully show.

2. It will appear from these statements that Advances made in the years 1864–5, 1865–6, 1866–7, remained unrecovered on the 31st March 1868, although accounts of expenditure, to which these Advances were to have been applied, have been rendered by, and the amounts due on those accounts paid to, the several persons to whom the Advances were made.

Subsequent Imprests have also been received and accounted for within the period in question by some of the same persons.

In connection with this subject the Comptroller and Auditor General wishes to call their Lordships' particular attention to the observations at the end of the statement marked B., to which no reply has been given by the Accountant.

SALARIES, &c.

Under this head of expenditure numerous payments have been made in advance of the dates when the Salaries became due, in some instances to the extent of one and two months, and a payment has been made to a temporary clerk at the rate of 1 *s.* per hour for 10 weeks, during which period he is stated to have been absent on leave. As an amount for extra work performed by Mr. Bartley has been allowed by your letter of 26th

26th December 1868, the Comptroller and Auditor General did not feel justified in disallowing a sum paid to Mr. Cole, junior, for extra work, although this payment appears to be at variance with the terms of their Lordships' Minute of 1st November 1853. Appendix, No. 5.

Vote for purchases at the Paris Exhibition for the Department of Science and Art, 15,000 *l.* (Supplementary Estimate, 1867–8).

No separate account has been rendered of this Vote, and I am to request that you will call their Lordships' attention to the accompanying document, marked C (being copies of Queries Nos. 279 and 280), and to Mr. Cole's letter of February 1869, in reply thereto, which will afford all the information the Comptroller and Auditor General has been able to obtain on this subject. 2.

Disallowances included in the Statement of the Balance of the Account.

Under this head it is only necessary to notice two over-payments of 500 *l.* and 250 *l.* respectively, the particulars of which are given in the accompanying statement marked (D).

I am to add that the Comptroller and Auditor General regrets to have to remark that there appears to be a general want of supervision in regard to the mode of conducting the pecuniary transactions of the Science and Art Department, as well as in the preparation of the account for transmission to this Department for examination; and, that much inconvenience is experienced in consequence of the great delay which occurs both in the transmission of accounts and vouchers, as well as replies to queries.

I have, &c.

The Secretary, Treasury. (signed) *C. L. Ryan.*

FIRST

REPORT

FROM THE

COMMITTEE

OF

PUBLIC ACCOUNTS;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

MINUTES OF EVIDENCE,

AND APPENDIX.

Ordered, by The House of Commons, *to be Printed,*
22 *June* 1870.

[*Price* 1 *s.* 6 *d.*]

301.

Under 16 *oz.*

SECOND

REPORT

FROM THE

COMMITTEE

OF

PUBLIC ACCOUNTS;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

AND

MINUTES OF EVIDENCE,

Ordered, by The House of Commons, *to be Printed,*
18 *July* 1870.

358.

Monday, 28*th March* 1870.

PUBLIC ACCOUNTS.—Standing Order of the House [3rd April 1862] relative to the Committee of Public Accounts read, and amended, by leaving out the word "Nine" and inserting the word "Eleven," instead thereof—(Mr. *Stansfeld*).

Committee of Public Accounts nominated:—

Mr. Stansfeld.	Mr. Algernon Egerton.
Mr. Pollard-Urquhart.	Mr. William Fowler.
Mr. Sclater-Booth.	Mr. Goldney.
Lord Frederick Cavendish.	Mr. Candlish.
Mr. Seely.	Mr. Ward Hunt.
Mr. Liddell.	

Wednesday, 22*nd June* 1870.

Ordered, THAT the Committee have power to report their Observations, together with the Minutes of Evidence taken before them, from time to time to The House.

REPORT - - - - - - - - - - - - p. iii
PROCEEDINGS OF THE COMMITTEE - - - - - p. vi
MINUTES OF EVIDENCE - - - - - - - - p. 1

SECOND REPORT.

THE COMMITTEE of PUBLIC ACCOUNTS have made further Progress in the Matters to them referred, and have agreed to the following SECOND REPORT:

ARMY SERVICES.

1. YOUR Committee have examined the Statement of the Savings and Deficiencies upon the Grants for Army Services, for the year ended the 31st March 1869, together with the Appropriation Account of those Grants, and the Report of the Comptroller and Auditor General thereon.

2. They find that the aggregate expenditure for the year, including that incurred for the Abyssinian Expedition, was - - - - - - - - - £. 17,629,026 4 1

While the original grants were - -	£. 15,455,400	
And estimated appropriations in aid -	868,766	
Making together - - - - - - -		16,324,176 - -
There was therefore a deficit, after appropriating the Savings on the ordinary Army expenditure, of -		£. 1,305,850 4 1

Which has been provided for as follows:

By amounts realised in excess of estimated appropriations in aid - - - - - - -	£. 32,747 4 3
From Vote of Credit for the Abyssinian War -	1,272,102 19 10
	£. 1,305,850 4 1

3. The Comptroller and Auditor General, in his Report, adverts to the late period at which the Appropriation Account was delivered. Your Committee have ascertained that this arose from very exceptional circumstances, in consequence of the difficulty of bringing to charge expenditure connected with the Abyssinian Expedition.

4. The discrepancies noticed in the 3rd paragraph of the Comptroller and Auditor General's Report appear to have arisen from the fact that there were certain credits which were taken into account in one statement of expenditure and not in the other, and that the net charge is represented by the lower sum therein mentioned.

5. Your Committee have to state, that with reference to the question raised in paragraph 10 of the Comptroller General's Report, and about which an inquiry was promised by Sir Edward Lugard's letter of the 19th November 1869, no evidence as to the result of that inquiry has been laid before them, and the matter is in their opinion worthy of the early attention of the Secretary of State for War and the officers of his Department.

NAVY SERVICES.

6. Your Committee have examined the Statement of the Savings and Deficiencies upon the Grants for Navy Services for the year ended the 31st March 1869, together with the Appropriation Account of those grants, and the Report of the Comptroller and Auditor General thereon.

	£.	s.	d.
They find that the aggregate expenditure for the year, including that incurred for the Abyssinian Expedition, was - - - - - - -	14,069,384	6	10
While the original grants were - - - -	11,157,290	–	–
There was therefore a deficit, after appropriating in aid Savings on ordinary Naval expenditure, of £.	2,912,094	6	10

Which has been met out of the Votes of Credit for the Abyssinian War.

7. Your Committee are of opinion that the two accounts that are now, by Act of Parliament, required to be rendered, namely, the Statement of Savings and Deficiencies and the Appropriation Account, might be amalgamated into one account, in which should be given those detailed explanations and variations which are now given in the first-mentioned account, and that such account might be rendered by the 31st December in each year, and the Treasury concur in this view.

This would allow time for the Account to be reported upon by the Comptroller and Auditor General by the 31st January next ensuing.

8. They have ascertained that directions have been given to prevent the recurrence of the irregularity mentioned in the 11th paragraph of the Report of the Comptroller and Auditor General, and also that the suggestion of that officer, contained in paragraph 12 of his Report, will in future be adopted.

9. The discrepancy noticed in paragraph 13 of his Report appears to have been the result of an error in calculation.

OTHER ACCOUNTS.

10. Your Committee have also examined the undermentioned accounts, namely, Greenwich Hospital (Capital and Income) Woods, Forests, and Land Revenues, Consolidated Fund, Civil Contingencies Fund, and Fortifications.

GREENWICH HOSPITAL.

11. They approve of the suggestion made in the Report of the Comptroller and Auditor General, that the cost of auditing these accounts should be borne upon the funds of the hospital.

WOODS, FORESTS, AND LAND REVENUES.

12. With reference to the recommendation made by this Committee in their Third Report of last year, that the present mode of dealing with the expenditure of this department should be again considered by Her Majesty's Government, your Committee have been informed that consideration has been given to the matter, and that, for reasons which seem to your Committee sufficient, they are not prepared to make any alteration at present.

13. Your Committee are of opinion that the very large balance kept in hand on the Land Revenue (Income) Account requires the attention of the Treasury.

CONSOLIDATED FUND.

14. Your Committee have ascertained that the error of introducing into this account the 600,000 *l.* due upon Exchequer Bonds and paid off has been rectified.

15. They understand that, in compliance with their recommendation last year, the Treasury have given directions that the examination of the dividend accounts of the Bank of England by the Comptroller and Auditor General shall be discontinued.

CIVIL CONTINGENCIES FUND.

16. Your Committee observe that the sum of 120,000 *l.* allotted to the Civil Contingencies Fund has, for the second time since the institution of this fund, been overdrawn. It was remarked by one of the witnesses that such an event could not recur if the excesses of expenditure on the different Votes were defrayed by overdrawing the sums originally voted by Parliament, instead of applying to the Civil Contingencies Fund. They reserve their suggestions for future consideration.

FORTIFICATIONS.

17. Your Committee have no observations to make on this account.

GENERAL OBSERVATIONS.

18. Your Committee are of opinion that their labours would be far more valuable if the examination of the Appropriation Accounts could be concluded by them in each year before the time arrives for asking Parliament to make good, by Votes in Supply, the Deficiencies found to have arisen upon any of the Grants of the previous financial year, or to approve, by Resolution, of the sanction given by the Treasury to the appropriation of Savings under Votes for Army and Navy Services, to cover Deficiencies on other Votes.

19. Your Committee are informed by the Secretary to the Treasury, that no future difficulty need be apprehended in this respect if the Committee of Public Accounts is nominated as soon as possible after the meeting of Parliament in the spring.

20. The recommendations made in their First Report as to the Form of Accounts for the Civil Service will apply, *mutatis mutandis*, to the Army and Navy Appropriation Accounts.

18 *July* 1869.

PROCEEDINGS OF THE COMMITTEE

Wednesday, 6*th July* 1870.

MEMBERS PRESENT:

Mr. HUNT, in the Chair.

Mr. Liddell.	Mr. Seely.
Mr. Sclater-Booth.	Mr. Egerton.
Mr. Pollard-Urquhart.	Mr. Goldney.
Lord F. Cavendish.	Mr. Stansfeld.

The Committee considered the Navy Appropriation Account, and Savings and Deficiencies, and Greenwich Hospital Account.

Sir *W. Dunbar*, Mr. *Beeby*, Mr. *Anderson*, Mr. *Foster*, Mr. *Ryan*, and Mr. *Bathurst* were severally examined.

The Committee further considered the Accounts of Woods and Forests, Civil Contingencies.

[Adjourned till Wednesday next, at Twelve o'clock.

Wednesday, 13*th July* 1870.

MEMBERS PRESENT:

Mr. POLLARD-URQUHART, in the Chair.

Mr. Sclater-Booth.	Mr. Liddell.
Mr. Candlish.	Lord F. Cavendish.
Mr. Egerton.	Mr. Stansfeld.
Mr. Goldney.	

The Committee further considered the Woods and Forests Account and the Civil Contingencies Account.

[Adjourned till Monday next, at Three o'clock, to consider Report.

Monday, 18*th July* 1870.

MEMBERS PRESENT:

Mr. POLLARD-URQUHART, in the Chair.

Mr. Seely.	Mr. Egerton.
Mr. Sclater-Booth.	Mr. Goldney.
Lord F. Cavendish.	Mr. Stansfeld.

DRAFT REPORT proposed by Mr. *Hunt*, read the first time, as follows:—

"THE Committee of Public Accounts have made further Progress in the Matters to them referred, and have agreed to the following Second Report:

"ARMY SERVICES.

1. "Your Committee have examined the Statement of the Savings and Deficiencies upon the Grants for Army Services, for the year ended the 31st March 1869, together with

with the Appropriation Account of those Grants, and the Report of the Comptroller and Auditor General thereon.

2. "They find that the aggregate expenditure for the year was £. 17,629,026 4 1
"While the original grants were - - £. 15,455,400
"And estimated appropriations in aid - 868,766
"Making together - - - - - - - 16,324,176 – –
"There was therefore a deficit of - - - - £. 1,305,850 4 1

"Which has been provided for as follows:
"By amounts realised in excess of estimated appropriations in aid - - - - - - - £. 32,747 4 3
"From Vote of Credit for the Abyssinian - - 1,272,102 19 10
£. 1,305,850 4 1

3. "The Comptroller and Auditor General, in his Report, adverts to the late period at which the Appropriation Account was delivered. Your Committee have ascertained that this arose from very exceptional circumstances, arising out of the difficulty of bringing to charge expenditure connected with the Abyssinian Expedition.

4. "The discrepancies noticed in the third paragraph of the Comptroller and Auditor General's Report appear to have arisen from the fact that there were certain credits which were taken into account in one statement of expenditure and not in the other, and that the net charge is represented by the lower sum therein mentioned.

5. "Your Committee have to state, that with reference to the question raised in paragraph 10 of the Comptroller General's Report, and about which an inquiry was promised by Sir Edward Lugard's letter of the 19th November 1869, no evidence as to the result of that inquiry has been laid before them, and the matter is in their opinion worthy of the early attention of the Secretary of State for War and the officers of his Department.

"NAVY SERVICES.

"Your Committee have examined the Statement of the Savings and Deficiencies upon the Grants for Navy Services for the year ended the 31st March 1869, together with the Appropriation Account of those grants, and the Report of the Comptroller and Auditor General thereon.

"They find that the aggregate expenditure for the year was - 14,069,384 6 10
"While the original grants were - - - - - - 11,157,290 – –
"There was therefore a deficit of - - - £. 2,912,094 6 10

"which has been met out of the Votes of Credit for the Abyssinian War.

"7. Your Committee are of opinion that the two accounts that are now, by Act of Parliament, required to be rendered, namely, the Statement of Savings and Deficiencies and the Appropriation Account, might be amalgamated into one account, in which should be given those detailed explanations and variations which are now given in the first-mentioned account, and that such account might be rendered by the 31st December in each year.
This would allow time for the Account to be reported upon by the Comptroller and Auditor General by the 31st January next ensuing.

8. They have ascertained that directions have been given to prevent the recurrence of the irregularity mentioned in the 11th paragraph of the Report of the Comptroller and Auditor General, and also that the suggestion of that officer, contained in paragraph 12 of his Report, will in future be adopted.

"9. The discrepancy noticed in paragraph 13 of his Report appears to have been the result of an error in calculation.

"OTHER ACCOUNTS.

"10. Your Committee have also examined the undermentioned accounts, namely: Greenwich Hospital (Capital and Income); Woods, Forests, and Land Revenues; Consolidated Fund; Civil Contingencies Fund; and, Fortifications.

"GREENWICH HOSPITAL.

"11. They approve of the suggestion made in the Report of the Comptroller and Auditor General, that the cost of auditing these accounts should be borne upon the funds of the hospital.

"WOODS, FORESTS, AND LAND REVENUES.

"12. With reference to the recommendation made by this Committee in their Third Report of last year, that the present mode of dealing with the expenditure of this department should be again considered by Her Majesty's Government, your Committee have been informed that some consideration has been given to the matter, and that, for reasons which seem to your Committee sufficient, they are not prepared to make any alteration at present.

"13. Your Committee have been struck with the fact that a very large balance is kept in hand on the Land Revenue (Income) Account.

"CONSOLIDATED FUND.

"14. Your Committee have ascertained that the error of introducing into their account the 600,000 *l.* due upon Exchequer Bonds and paid off has been rectified.

"15. They understand that, in compliance with their recommendation last year, the Treasury have given directions that the examination of the dividend accounts of the Bank of England by the Comptroller and Auditor General shall be discontinued.

"CIVIL CONTINGENCIES FUND.

"16. Your Committee observe, that the sum of 120,000 *l.*, allotted to the Civil Contingencies Fund has, for the second time since the institution of this fund, been overdrawn. It was remarked by one of the witnesses that such an event could not recur if the excesses of expenditure on the different Votes were defrayed by overdrawing the sums originally voted by Parliament, instead of applying to the Civil Contingencies Fund. They reserve their suggestions for future consideration.

"FORTIFICATIONS.

"Your Committee have no observations to make on this Account.

"GENERAL OBSERVATIONS.

"18. Your Committee are of opinion that their labours would be far more valuable if the examination of the Appropriation Accounts could be concluded by them in each year before the time arrives for asking Parliament to make good, by Votes in Supply, the deficiencies found to have arisen upon any of the grants of the previous financial year, or to approve, by Resolution, of the sanction given by the Treasury to the appropriation of Savings under Votes for Army and Navy Services, to cover deficiences on other Votes.

"19. They believe that this may be effected, as a general rule, if the recommendation made in their First Report with regard to the desirability of the Comptroller and Auditor General making his Report direct to the House, were passed into law, and if the Committee of Public Accounts were nominated as soon as possible after the commencement of February in every year.

"20. The recommendations made in their First Report as to the form of Accounts for the Civil Service will apply, *mutatis mutandis*, to the Army and Navy Appropriation Accounts.

Motion made and Question, That the Report be now read a second time, and considered paragraph by paragraph, put, and *agreed to.*

Paragraph 1, *agreed to.*

Paragraph 2 and 3, amended, and *agreed to.*

Paragraphs 4 and 5, *agreed to.*

Paragraph

Paragraphs 6 and 7, amended, and *agreed to.*

Paragraphs 8–11, *agreed to.*

Amendment proposed, in lines 4 and 5, paragraph 12, to leave out the words "and that, for reasons which seem to your Committee sufficient"—(Mr. *Goldney*).—Question put, That those words stand part of the paragraph.—The Committee divided:—

Ayes, 4.	Noes, 2.
Mr. Egerton.	Mr. Goldney.
Mr. Stansfeld.	Mr. Seely.
Mr. Sclater-Booth.	
Lord F. Cavendish.	

An Amendment made.—Paragraph, as amended, *agreed to.*

Paragraphs 13, 14, amended, and *agreed to.*

Paragraphs 15–18, *agreed to.*

Paragraph 19, *disagreed to.*

A new paragraph inserted.

Paragraph 20, *agreed to.*

Question, That this Report, as amended, be the Report of the Committee to The House, put, and *agreed to.*

Ordered, To Report.

LIST OF WITNESSES.

Wednesday, 6th July 1870.

	PAGE
Sir William Dunbar, Bart., Mr. William George Anderson, Mr. Morgan Hugh Foster, C.B., Mr. James Beeby, Mr. Charles Lister Ryan, and Mr. Henry Thomas Dundas Bathurst	1
Mr. Charles Dilkes Loveless	11
Mr. Charles Mallet	13
Right Hon. James Stansfeld, M.P.	15

Wednesday, 13th July 1870.

Hon. Charles A. Gore	17
Sir William Dunbar, Bart., Mr. William George Anderson, Mr. Morgan Hugh Foster, C.B., and Mr. Charles Lister Ryan	20

MINUTES OF EVIDENCE.

Wednesday, 6th July 1870.

MEMBERS PRESENT:

Lord Frederick Cavendish.
Mr. Algernon Egerton.
Mr. Goldney.
Mr. Ward Hunt.
Mr. Liddell.
Mr. Pollard-Urquhart.
Mr. Sclater-Booth.
Mr. Seely.
Mr. Stansfeld.

THE RIGHT HON. GEORGE WARD HUNT, IN THE CHAIR.

Sir WILLIAM DUNBAR, Bart.; Mr. WILLIAM GEORGE ANDERSON; Mr. MORGAN HUGH FOSTER, C.B.; Mr. JAMES BEEBY; Mr. CHARLES LISTER RYAN, and Mr. HENRY THOMAS DUNDAS BATHURST, called in; and Examined.

1708. *Chairman* (to Mr. *Beeby*).] THE first paragraph of the Report of the Comptroller and Auditor General states, "that the provisions of the Act 29 & 30 Vict. c. 39, have not been complied with as respects the delivery of the Appropriation Account of Naval Grants, the Account for 1868–9 not having been transmitted to this department until the 21st of February 1870, instead of the 30th of November 1869, as required by the above Act;" has any explanation of that been given?—The Admiralty has explained to the Treasury, as accounting for the delay, that considerable difficulty has been experienced for some years past in preparing these Accounts by the time prescribed by the Act of Parliament; but more especially since they have been required to render the Account of Savings and Deficiences in detail. The numerous explanations that are now needed in preparing that Account require a much greater length of time than was formerly the case, when the explanations were afforded on the Appropriation Account only.

1709. When was the alteration made with regard to the Savings and Deficiencies Account?—The Account for the year 1862–3 was, I think, the first to which it applied. The alteration was made by a Treasury Minute of 27th January 1863.

1710. (To Mr. *Anderson.*) Have you got the Minute there?—Yes.

1711. Will you hand it in?—(*The same was handed in.*)

1712. Mr. *Pollard-Urquhart* (to Mr. *Beeby*).] If I understand the Report of the Comptroller and Auditor General rightly, the Savings and Deficiencies Account was not rendered until a very considerable time after the Appropriation Account?—That was so.

1713. Therefore the difficulty of making out the Savings and Deficiencies Account properly, could have been no excuse whatever for the slow delivery of the Appropriation Account?—Yes; it did affect the Appropriation Account, because we must look to what the explanations will be upon the detailed account before we can make out the explanations of a general character upon the Appropriation Account; but there were other causes which led to the delay in the delivery of both these Accounts besides the ordinary one. With respect to the detailed explanations, one of which was the re-organisation of the department, and the transfer from Somerset House to Whitehall, that was an additional cause for the delay.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 July 1870.

1714. Mr. *Sclater-Booth.*] How do you apprehend that it will be for the future?—For the future we have suggested that the period for rendering the Account should be extended, and that both these Accounts should be rendered at the same time, namely, on the 31st December, in the same manner as the Army Accounts.

1715. Mr. *Liddell.*] That would be an extension of one month?—Yes; and that they should be considered as one Account.

1716. Mr. *Sclater-Booth.*] You will not have another move from Somerset House next year?—Part of the department may be moved; it is only a partial removal that we have had hitherto.

1717. Mr. *Liddell.*] Does the Admiralty undertake to have the Accounts fully prepared, if that extension of time is granted?—We think if that extension of time were granted we should be able to comply with the requirement.

1718. Mr. *Sclater-Booth.*] The extension of time could not be granted except by an Act of Parliament, could it?—No.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 July 1870.

1719. *Chairman.*] That is as regards the Appropriation Account?—Yes.

1720. But as regards the Savings and Deficiencies Account it rests upon a Treasury Minute, and therefore a Treasury Minute could alter it?—Yes.

1721. Mr. *Pollard-Urquhart* (to Sir *W. Dunbar*).] Supposing the time for the delivery of these Accounts was extended in the manner proposed by Mr. Beeby to the 31st of December, would you find it possible to have your report delivered by the time prescribed by the Act of Parliament, which, I think, is within one week after the meeting of Parliament?—No, I do not think we could. I think a corresponding extension of time would be necessary to enable the Comptroller and Auditor General to examine the Accounts, and make his report thereupon.

1722. *Chairman* (to Mr. *Beeby*).] It is the case, is it not, that the Savings and Deficiencies Account is the same Account as the Appropriation Account, only in a more detailed form?—It is.

1723. Have you any suggestion to make with regard to their being in future one account instead of two?—Yes; I would suggest that they should be treated as one account, and that the general explanations should be dispensed with, and that we should give only the detailed explanations of Savings and Deficiencies, as, I perceive, has been done in the case of the Army Department for the year 1868-9.

1724. (To Mr. *Anderson.*) I suppose you were consulted when this Treasury Minute which you have handed in was framed, were you not?—Yes.

1725. Probably you drew it?—Yes, I drew the Minute.

1726. Have you anything to say as to why these should not be one account instead of two?—It was not contemplated at the time when the Minute was passed to interfere with the presentation of the Appropriation Account proper under the Act. We thought at the Treasury that a separate account of Savings and Deficiencies might follow at a later time. There was no time prescribed by the Act for that second account, and therefore it was left as a matter of arrangement. The War Office have consolidated the two Accounts; but that was never directed by the Treasury; it was their own act.

1727. But the Appropriation Account of the Navy is now rendered under Act of Parliament?—Yes, the Appropriation Account of the Navy is required by the Act to be rendered by the 30th of November.

1728. But when the Treasury Minute of the 27th of January 1863, was passed, the Appropriation Account was not rendered under an Act of Parliament, was it?—Yes, it has always been rendered under Act of Parliament since the year 1832.

1729. Will you refer to the Act?—The 2 & 3 Will. 4, c. 40.

1730. Then the Exchequer and Audit Department Act of 1865 superseded that Act?—It embodies the provisions of that Act, so far as they relate to the Navy, but there was an intermediate Act of 1847, the 9 & 10 Vict. c. 92, which extended the Appropriation Audit, which prior to that was confined to the Navy, to the Army, and the Ordnance.

1731. Do you see any objection to there being only one Navy Account rendered now instead of two?—No, I see no objection to it; it would cause a little extension of time; the object was that this Account should be before Parliament before the discussion of the Estimates for the following year; and provided it does not overstep that period, I see no objection to an extension of time.

1732. But at present the votes for deficiencies are taken before the examination of the Account by this Committee, are they not?—Yes, it is necessary that they should be taken early, in order to settle the accounts of that back year before the close of the current financial year.

1733. That is so, is it not, with regard to the deficiencies upon all the Votes, whether Civil Service or others?—Yes; it was done so this last year as regards the Civil as well as the Army and Navy deficiencies.

1734. The Votes to cover those deficiencies are taken before the examination of the accounts by this Committee?—Yes.

1735. Does it not strike you that that is wrong in principle; ought not it to be the rule, if this Committee is to examine the accounts on behalf of the House of Commons, that the examination should take place before the deficiencies are voted?—Undoubtedly, and that can only be accomplished by requiring the departments to close their accounts in sufficient time to enable the Comptroller and Auditor General to place his Report in the hands of this Committee very early in the Session.

1736. The fact is, we are examining accounts, the adjustment of which has been virtually accepted by Parliament through the Votes which have taken place?—Just so.

1737. Mr. *Pollard-Urquhart.*] If I recollect right Parliament voted the deficiencies even before the Account of Savings and Deficiencies was laid before the House of Commons?—Yes, I believe that that was the case this year, if not as regards the Army and Navy, certainly as regards the Civil Service deficiencies.

1738. Do you not conceive that to be very objectionable both in practice and in principle?—It is no doubt wrong in principle.

1739. *Chairman.*] Would there practically be very great difficulty in making a change?—There would be some difficulty.

1740. Mr. *Pollard-Urquhart.*] Would there be any difficulty in the Accounts being prepared in time for Members of Parliament to look over them. It might be difficult for this Committee to examine into them, but surely the Accounts might be in the hands of Members of Parliament before the House voted the deficiencies?—That would be very desirable, and in order to accomplish it the Naval Account should be presented, as it was formerly, without these explanations. The Admiralty could no doubt prepare the account by the time required by the Act, if the Committee would dispense with the explanations which are given at pages 4, 5, 6, and 7.

1741. *Chairman.*] You mean the explanations which are appended to the Account?—Yes, to the Navy Appropriation Account. The Account could be rendered by that time if the Committee would be satisfied without receiving those explanations which are given in greater detail in the Account of Savings and Deficiencies.

1742. (To Mr. *Beeby*). What do you say to that?—I think it would not be wise to present the Appropriation Account to Parliament even without the explanations until we had ascertained what

what were to be the explanations upon the Savings and Deficiencies Account.

1743. When practically could you make sure of being able to render the Savings and Deficiencies Account?—On the 31st of December.

1744. And when could you be certain to be able to render the Appropriation Account?—On the same day, putting them together as one account. I would suggest that they should be one account. The reason why I think we should not present the Appropriation Account on the 30th of November, and the Savings and Deficiencies Account afterwards is, that the process of ascertaining the causes of excess frequently leads to some adjustments, and therefore we might find that we had presented an Account to Parliament which we might want to alter in some respects. That might be the result of the process of ascertaining the causes of excess.

1745. (To Sir *W. Dunbar.*) Do you accede to the suggestion that these two Accounts might be rendered as one account?—Yes, I do; but I wish to make this further observation, that much of the objection as to the extension of time for the rendering of the account, would be obviated if the recommendation of the Committee, that the Comptroller and Auditor General should report direct to Parliament, were carried into effect. Under the present arrangement there is a loss of three weeks. I am obliged to send my report to the Treasury by the 15th of January.

1746. In our First Report we have recommended that you should report direct to the House; if that recommendation were adopted, it would save three weeks, would it not?—Yes. If that recommendation is adopted, all our objections to the proposed alteration of time fall to the ground.

1747. Supposing this amalgamated account is rendered to you by the 31st of December, when could you make your report upon it?—I should think in about a month from that time, so that it could be presented immediately on the meeting of Parliament.

1748. You think that, at all events, by the 20th of February you would have made your report to the House, supposing that our suggestion is adopted?—Certainly; I think there would be no difficulty in doing so.

1749. (To Mr. *Anderson.*) Supposing that to be the case, and supposing a rule was made that we should examine the Account before the vote was taken for the deficiencies, do you think that that would occasion any inconvenience as regards the public service?—None; I understand Mr. Beeby to say that he could render the Account by the 31st of December. With due diligence we might complete the examination of the Account, and our Report would be ready for presentation by the 31st of January.

1750. I am allowing you to the 20th of February, in order not to run you too close?—I think the 20th of February is too long a period to extend the presentation of the Accounts, because the Estimates are frequently brought forward in Parliament before that date; therefore, I think it would be desirable to fix the 31st of January as the date of the Comptroller and Auditor General's Report, and then the Treasury might require some time to look through the account. So far as the Comptroller and Auditor General is concerned, I think his duty might be completed by the 31st of January.

1751. Would it be wise to tie him down to that date?—I would tie him down to the beginning of February at all events.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 July 1870.

1752. You might give him another week perhaps?—Yes, I should have no objection to that. (Sir *W. Dunbar.*) I think that that would be ample.

1753. (To Mr. *Anderson.*) Then you think that the account ought to be presented to the House, supposing it were presented direct, by the 7th of February? — That date would do very well.

1754. If that were the case, and the Committee of Public Accounts were nominated immediately upon the meeting of Parliament, they might proceed at once to examine that Account of Savings and Deficiencies?—I think they could, and probably they could make their report before a Vote was submitted to the House.

1755. Before the Estimates of the next year were taken?—Before the Estimates of the next year were begun upon.

1756. It is in your opinion desirable that the Committee should examine the account and satisfy the House of Commons as to what is the correct amount of savings and deficiencies, or surplus and excess, before the Deficiency Votes are taken?—Yes, I think that that is very desirable; it is not in every year however that deficiency votes are required; indeed, it is seldom that the aggregate of the Army and Navy Votes is exceeded.

1757. Mr. *Sclater-Booth.*] It is rather a misnomer to apply the words "Deficiency Vote" to the Army and Navy Account, is it not; it is only when there is a net deficiency that any vote is taken?—A vote is taken when the aggregate exceedings go beyond the aggregate savings. That has sometimes occurred in the Navy and the Army, though the Appropriation Act distinctly states that the total grants shall not be exceeded.

1758. But the ordinary form has been to sanction the Appropriation of Savings to meet Deficiencies which has been temporarily made by the Treasury?—That is done at the end of the Session by the Appropriation Act.

1759. Mr. *Liddell.*] Then, I presume that it is necessary that the Vote of Parliament to meet the deficiencies should be made before the expiration of the current financial year?—It would be very desirable that that should be done, because otherwise the settlement of the year's account would be extended to the third year.

1760. *Chairman.*] You could not clear your account within the financial year, unless that were done?—No; it is a matter of convenience to the Treasury as regards Ways and Means, because they have to surrender the surplus of Ways and Means in the Appropriation Act of the following year, and if it were after the 31st of March it would probably make a delay of a whole 12 months in the surrender of those Ways and Means.

1761. Mr. *Liddell.*] Upon a vote being taken, I presume the provisional arrangement by which the Treasury have sanctioned a temporary application of a saving upon a vote to meet a deficiency is cancelled?—In the case of the Army and Navy, a vote is only taken when the deficiencies exceed the savings, but for the Civil Services votes are taken for all the deficiencies without reference to savings, because no power exists in the Government of applying the savings on one civil vote to defray the deficiency on another civil

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 July 1870.

vote, and, therefore, in that case, votes have to be taken for every deficiency; but in the case of the Army and Navy, it is only when there is a deficiency upon the aggregate of the votes that a vote is taken.

1762. Mr. *Sclater-Booth.*] And, therefore, as a matter of fact, of late years, unless there was a net deficiency upon the Army and Navy Accounts, nothing was heard of the matter until quite late in the Session, when a resolution was passed in the House of Commons sanctioning the appropriation that the Treasury had made temporarily?—Precisely so.

1763. *Chairman.*] You would apply the same rule, would you not, to the whole of the accounts, including the Civil Service, as well as the Army and Navy?—The Civil Services are never voted so early as the Army and Navy. A Vote is now taken annually "upon account."

1764. But would you not think it right that this Committee should examine the accounts of the Civil Service Votes before the deficiencies are voted?—It would be desirable, if possible, that they should do that. Undoubtedly, as a matter of principle, that is the right course to take.

1765. Mr. *Pollard-Urquhart.*] At all events, it would be desirable that the Statement of the Civil Service Savings and Deficiencies should be before Parliament before the deficiencies are voted, so that even if the Committee had not time to examine it, any Member might do so?—This being the first year of bringing the Act into operation with regard to the Civil Service Votes, there has been a delay which will not, we hope, occur in future years.

1766. (To Sir *W. Dunbar.*) If this detailed Account, called "The Statement of Savings and Deficiencies," had been before you at the time you made this Report, are there any matters into which you would have entered more fully than you have now?—No, I think not.

1767. *Chairman* (to Mr. *Anderson*).] If the Savings and Deficiencies Account and the Appropriation Account were to be amalgamated, and the time for rendering the amalgamated account was to be altered, an Act of Parliament must be passed to make the alteration, must it not?—Yes; there must be an Act passed to amend the Exchequer and Audit Act.

1768. (To Mr. *Beeby.*) You are confident that the amalgamated account could be rendered by the 31st of December?—Yes.

1769. Mr. *Liddell.*] In the event of your amalgamating the Navy Appropriation Account with the Account of Savings and Deficiencies, should you propose that the whole of the minute details contained in this present Savings and Deficiencies Account, with all the correspondence attached thereto and explanatory thereof, should be incorporated with it?—Yes; but I should propose to omit the general explanations which are now given in the Appropriation Account.

1770. That would reduce it very slightly, would it not?—Yes.

1771. *Chairman.*] The fact is, that the general explanations are a summary of the detailed explanations?—Yes, just so; and they cannot be well or satisfactorily made until we know what the detailed explanations are.

1772. What you would propose is, that what is now the Appropriation Account should be a prefix to the Savings and Deficiencies Account, and that the general explanations which are now appended to the Appropriation Account should be dispensed with?—Precisely so.

1773. (To Mr. *Anderson.*) Have you any remark to make upon that?—I think it would make the account a very perfect one, because the explanations given in the Statement of Savings and Deficiencies are much more complete than those given upon the Appropriation Account.

1774. (To Sir *W. Dunbar.*) Do you agree to that?—Yes, I concur in that view.

1775. (To Mr. *Anderson.*) Supposing that according to the recommendation contained in the First Report of this Committee, the Report was presented direct to Parliament by the Comptroller and Auditor General, if a copy of that Report was furnished to the Treasury they would be able to give all needful directions just as they can now, would they not?—Yes; that would be quite satisfactory.

1776. (To Mr. *Foster.*) In our First Report we have recommended that the law should be altered, and that the Comptroller and Auditor General should make his report direct to the House, instead of reaching the house through the medium of the Treasury. Supposing the Comptroller and Auditor General was required to send a copy of his Report to the Treasury, the Treasury would be able to give all needful directions, just as they do now, would they not?—The first point which strikes me is that which has been raised by this question, namely, who is to give directions to the accountants. The Comptroller and Auditor General is not an executive officer, and he would probably not give directions; and I presume the Committee would not undertake to give directions to the accountants. It would, therefore, be necessary that the Treasury should have the report in order to give directions upon it. It seems to me that if the Treasury is really passed over and only nominally furnished with a copy of the report, its authority to deal with the accountants will be seriously weakened. I might also say that nine-tenths of the observations of the Comptroller and Auditor General are upon points where the accountant does not comply with the Treasury directions. Those are not questions of appropriation, but questions of transgressing rules laid down by the Treasury, and regarding which instructions are sent to the Comptroller and Auditor General to report to the Treasury upon the divergencies from those rules. For the Treasury to lay down the rules to be carried out by the accountants, and to be reported upon by the Comptroller and Auditor General, and instead of the Treasury getting a reply, for the Comptroller and Auditor General to report directly to the House, passing over the Treasury, appears to me rather an anomalous arrangement.

1777. According to that view the Comptroller and Auditor General has two functions, one as regards appropriation, and the other as regards seeing that the Treasury regulations are complied with?—It is clearly laid down in the Act that there shall be those two duties.

1778. That being so, it would seem as if that part of his functions which relates to the examination as to how far the Treasury rules have been complied with, ought not to form a part of his report upon the Appropriation Account?—I think that would be the only way of dealing with it, so as to carry out the recommendation of the Committee.

1779. That is to say, the Comptroller and Auditor

Auditor General might make a report to the Treasury as to how far their regulations had been complied with, and he might also report to the House upon the Appropriation Account?—That appears to me to be the reasonable result of the recommendation of the Committee; but I think it would leave very little for his report upon the Appropriation Account.

1780. Mr. *Sclater-Booth.*] Because the sanction of the Treasury has cured the errors which there would otherwise be in the Appropriation Accounts?—Just so. The questions relating to compliance with the Appropriation Act are extremely small in number.

1781-2. Mr. *Egerton.*] Then you would propose that the report of the Comptroller and Auditor General, with regard to the matters of account not being matters of appropriation, should come, as now, to the House through the Treasury?—That appears to me to be the proper course. (Sir *W. Dunbar.*) Mr. Foster seems to have overlooked the 27th section of the Exchequer and Audit Act, which expressly provides that the Auditor General shall examine the accounts, with the object of reporting upon any expenditure which, requiring the sanction of Treasury authority, has not been so sanctioned, and is therefore not properly chargeable against the vote.

1783. *Chairman* (to Mr. *Foster*).] Is there anything in the Act beyond what is mentioned in the 27th section, to which reference has been made?—It is the 27th section which refers to the point. The Comptroller and Auditor General would, of course, be required to give in his report, which would reach Parliament, as to whether the Treasury directions had been complied with or not; so far you may say it becomes part of the Appropriation Account.

1784. Under what section is that?—Under the 27th section. But at the same time I do not think that that obviates the necessity of a report upon the non-compliance with Treasury Regulations passing through the Treasury to the House of Commons.

1785. Do you think that the Comptroller and Auditor General ought to notice any breach of Treasury Regulations other than those which are mentioned in Clause 27?—I think he is bound to notice any case where the rules and regulations laid down by the Treasury have not been carried out by the accountant, and I think it is quite proper that that Report should be laid before Parliament. But I think the rules and regulations having been laid down by the Treasury, it is proper that he should report to the Treasury if they have not been complied with.

1786. We will take the case mentioned in Section 27 of the Act, "Whenever the Comptroller and Auditor General shall be required by the Treasury to ascertain whether the expenditure included, or to be included, in an Appropriation Account, or any portion of such expenditure is supported by the authority of the Treasury, the Comptroller and Auditor General shall examine such expenditure with that object, and shall report to the Treasury any expenditure which may appear, upon such examination, to have been incurred without such authority." Supposing such a case had occurred, and the Comptroller and Auditor General reported it direct to the House, and the Treasury had a copy of that report, the Treasury then could lay a Minute upon the Table of the House, saying whether they had subsequently given their sanction or not?—I think there is a great difference between supplying the Treasury with a copy of the report, and the Comptroller and Auditor General reporting to the Treasury in accordance with the desire of the Treasury. It appears to me to follow, from the Treasury calling for such a report, that it is to the Treasury that he should report, and it is the Treasury who should lay that report before the House.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 July 1870.

1787. (To Sir *W. Dunbar.*) What have you to say to that?—The fact is, that in all cases where there are deviations from the Treasury Regulations, we report to the Treasury that such deviations exist; but that is not the question referred to in the 27th section; that is a report properly made to Parliament, because if there be an expenditure which requires Treasury authority, but which the Treasury does not see fit to authorise, it is declared by that section to be an expenditure not properly chargeable to the Vote.

1788. But supposing there may be cases where the neglect to obtain Treasury sanction has been pointed out by the Comptroller and Auditor General in his report, the Treasury may step in and subsequently give its sanction?—We call attention, in any case where there is any deviation from Treasury authority, to the fact that the accountant has not got Treasury sanction; the Treasury either immediately acts thereupon, or does not act; if it acts we have no report to make to Parliament; on the other hand, if it does not act, and does not sanction the unauthorised expenditure, the Act requires that it shall be reported as expenditure not properly chargeable to the Vote.

1789. You consider that it would be your duty to make an immediate communication to the Treasury upon the matter?—We always do so.

1790. (To Mr. *Foster.*) Would that satisfy what is in your mind as regards the communication between the Comptroller and Auditor General and the Treasury?—I think there are various cases where a report has not been made to the Treasury, and the first knowledge we have had of the facts has been obtained from the Appropriation Account sent to us to be laid before Parliament. That that is so, will, I think, be seen by the Minute of the Treasury upon the report of the Comptroller and Auditor General. In that Minute we take up the whole subject which he has laid before us, and deal with it, giving directions to the accountants to correct errors, to pursue a different practice, and to adopt the course which the Treasury deems right. In many cases you will see that expenditure which had not Treasury authority has been sanctioned by the Treasury Minute, passed after receipt of the Report of the Comptroller and Auditor General. Had these points been settled before the Report of the Comptroller and Auditor General, they would not have been referred to in his report, and consequently the Treasury would not have had to deal with them in its subsequent Minute. (Sir *W. Dunbar.*) If there is any such case it must be owing to some oversight on the part of the Exchequer and Audit Department; but I know of no such case, and I should like Mr. Foster to state in what case the Comptroller and Auditor General has not reported to the Treasury a deviation, on the part of any particular accountant, from the

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 July 1870.

the regulations laid down by the Treasury. I believe in every case it is the practice of the Exchequer and Audit Department immediately to call the attention of the Treasury to the fact, that the accountant has not acted up to the regulations laid down for him by the Treasury. (Mr. *Foster.*) The case that occurs to me at this moment is a case where the Home Office or the Colonial Office complained that the Comptroller and Auditor General had first queried an amount, and afterwards disallowed it without reference to the Treasury. (Sir *W. Dunbar.*) But that is not a case in point. The statement of the Treasury is based upon a false assumption in that case. The Treasury assumed that there was a difference of opinion between the Colonial Office and the Exchequer and Audit Department. Now, I admit that if there had been a difference of opinion there might have been some room for the strictures and for the observations made by the Treasury upon that head. But there was no difference of opinion between the two departments, and we did not, in fact, know that the Colonial Office had acted upon the instructions of the Treasury, and that we were required to look for Treasury authority in that special case.

1791. Mr. *Liddell* (to Mr. *Foster*).] What is the Act or what are the Acts of Parliament that constitute and regulate the functions and authority of the Treasury?—I should think that they are affected by such a variety of Acts that it would be very difficult to mention any in particular which regulate them. The Treasury is an office of very great antiquity, and I think practice is more the law than any special Act of Parliament.

1792. What I particularly wished to know was this, can you point to the Statute which clothes the Treasury inmates with the authority which they have?—I cannot quote any Act at the moment. I am not prepared to state under which Act the Board of Treasury is constituted. There is one Act which abolishes the necessity of having more than two Commissioners to give validity to Treasury Warrants, but I could not from memory quote the Act which establishes the commission of the Treasury.

1793. It has grown, then, partly out of usage?—No doubt there was originally an Act constituting the Lord High Treasurer, or giving the power of placing that office in commission, and regulating the number of commissioners who should have power to represent the Lord High Treasurer, but I do not bear in mind at the moment what that Act is.

1794. *Chairman.*] To begin with, the Treasury has authority over the subordinate departments and the officers of those departments, just the same as any other department would have, and then, in addition to that, many Acts of Parliament have given to the Treasury the power to regulate the affairs of other departments, and have required that their consent should be given in certain cases?—Almost every Act of Parliament regulating a public department gives power to the Treasury to sanction or disallow rules and regulations, and to regulate the establishment of the office.

1795. With regard to the matter we were discussing just now, you think, that even supposing the Comptroller and Auditor General reported direct to the House, it would be necessary that there should be communications from time to time, in the nature of reports or in some other shape, to the Treasury, calling attention to cases in which Treasury authority had not been given where it was required, and also to cases in which Treasury regulations had been infringed?—Yes; those two things are carried on to a considerable extent during the time of the examination of the accounts; but I am quite convinced that there are a great many instances which are not brought before the Treasury.

1796. But which might be brought before the Treasury?—Yes, which might be brought before the Treasury. The usual course is this: the Comptroller and Auditor General objects to an item of expenditure in the accounts of a department; the department then applies to the Treasury for sanction; it obtains that sanction if the Treasury will give it, and supplies the Comptroller and Auditor General with that sanction.

1797. Then, in fact, the Comptroller and Auditor General is not really in a position to make his final report until these communications have been made to the Treasury, and he has had their answer; I mean so far as regards the cases where the authority of the Treasury is required?—He does make his report before all those points are settled, and it is in consequence of his not having had satisfactory replies from the accountants that he reports upon them, and the knowledge of these objections reaches the Treasury in that way.

1798. Then, in fact, his report would be more complete if he was able to say that he had called the attention of the Treasury to those cases where their authority was required, and where it had not been given, and if he were able to say whether it had subsequently been given or not?—The report would be more perfect if that could be carried out, but in some cases I think there would be great difficulty in carrying it out in time. There are queries going on up to the last moment of the Comptroller and Auditor General's Report.

1799. (To Sir *W. Dunbar.*) What do you say to that?—The Comptroller and Auditor General has two principal duties to discharge. He is bound in the first place to see that the directions of Parliament are carried into effect; and, secondly, that the regulations established by the Treasury for the governance of the accountants are obeyed. In every case where there is a deviation from the regulations laid down by the Treasury, he calls the attention of the Treasury to the matter in the discharge of his duties in the examination of the account. That is practically a report to the Treasury, and having made that report, I cannot see any necessity for his making a second and formal report to the Treasury upon the very self-same matter.

1800. How do you suggest that the difficulty that has occurred to Mr. Foster should be got over?—The Committee will observe that the 31st section of the Exchequer and Audit Act enacts, "If, during the progress of the examination by the Comptroller and Auditor General hereinbefore directed, any objections should arise to any item to be introduced into the Appropriation Account of any grant, such objections shall, notwithstanding any account shall not have been rendered to him, be immediately communicated by him to the department concerned; and if the objections should not be answered to his satisfaction by such department, they shall be referred by him to the Treasury, and the Treasury shall determine in what manner the items in

in question shall be entered in the annual Appropriation Account." Wherever, of course, a difference occurs as between the department and the Comptroller and Auditor General, that difference is reported to the Treasury for settlement, and beyond that I do not know what other function or duty the Comptroller and Auditor General can be called upon to perform which would enable him to give a larger amount of information than he now affords to the Treasury in the daily discharge of his duties.

1801. Then your opinion is, that all these communications might be made to the Treasury during the progress of the examination of the accounts, and that the Treasury might give directions as they thought proper, and that then you might make your report upon the final state of things?—Yes; the fact is, that those communications not only might be made, but they are actually made. In the daily discharge of my duties, these representations are made from time to time when the objections occur.

1802. How would you deal with this matter in your report in future, supposing our recommendation of your reporting direct to the House were to be adopted?—Of course, in those cases where the Treasury sanction being required, and the attention of the accountant and of the Treasury having been called to the absence of such sanction, the Treasury have still not thought fit to sanction such expenditure, I should hold it to be expenditure not properly chargeable against the Vote, and report it as such to the House of Commons. It would strictly be a question of misappropriation falling within the Parliamentary functions of the Comptroller and Auditor General under the Exchequer and Audit Act.

1803. Should you mention in your report that you had called the attention of the Treasury to their authority being absent, and that it was either subsequently given or not given?—Yes, probably I should; I think I have generally done so. (Mr. *Ryan.*) If the sanction of the Treasury was given before the report was made, no mention would be made of the matter. It is only where that is not the case that any mention is made of it in the report at all.

1804. Then in the case of the regulations of the Treasury not being complied with (irrespective of the question of the authority of the Treasury being required), should you think it necessary to treat of those cases in your report?—If the regulations did not affect what we technically term the "Appropriation Accounts"; that is to say, if they had nothing to do with the Act, but were merely a sort of bye-regulation, we should in that case report to the Treasury, and not to Parliament at all.

1805. That is what you do now?—Yes. (Mr. *Foster.*) I wish to draw the attention of the Committee to the fact that, as will be seen by reference to the Treasury Minute upon the last Appropriation Account of the Civil Services, there are a very large number of directions which have to be given by the Treasury to the accountants, and not one of those directions could have been given upon previous reports of the Comptroller and Auditor General. It appears to me that this fact bears out the statement that the Treasury had not had previous information of those objections, and that the only means of dealing with these divergencies from rules and regulations is upon the report.

1806. But is there any reason why these deviations should not have been pointed out by the Comptroller and Auditor General to the Treasury previous to his report being made?—I think the difficulty would be this: There are a very large number of departments which have considerable difficulty in getting their Appropriation Accounts sent in to the Comptroller and Auditor General by the date laid down by the Act. The Comptroller and Auditor General has then to examine them and discover any divergencies from the rules and regulations. Many of these divergencies are not discovered until he has the final Appropriation Account before him. It is then too late to get the departments to apply to the Treasury, the Treasury to give its decision and inform the accountant, and the accountant to inform the Comptroller and Auditor General before he reports. There is not time enough to do it.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 July 1870.

1807. Now it is done after the report is made?—Yes; the moment we receive the report we take it up and deal with it, giving the necessary directions. If, as the Comptroller and Auditor General represents, every question that is raised on the Appropriation Accounts had come before the Treasury previously, there would be no room left for the Treasury to give directions; they would all have been given; but that is not the fact, as appears to me to be proved by the Treasury Minute. (Sir *W. Dunbar.*) The cases we report upon to Parliament are infringements of the law, not infringements of the regulations of the Treasury. All infringements of the regulations of the Treasury are, as I said before, reported upon to the Treasury during the examination of the accounts. How far it may be necessary for the Treasury to act upon the reports of the Comptroller and Auditor General, I cannot pretend to say; but it appears to me that in some cases at least they have acted before the Committee have been enabled to express any opinion on the infringements of law pointed out by the Comptroller and Auditor General. If they consider that what has been done is wrong, they immediately take action upon it of their own accord. As far as I understand it, the intention was that the report of the Comptroller and Auditor General should be laid before a Committee of this House, and deliberated and reported upon for the guidance, not only of the Comptroller and Auditor General, but of the departments, the Treasury included. For example, take the case of the Vote for the University of London. I reported in that case that there was a saving upon that Vote. Before the Committee had an opportunity of deliberating upon the subject, which was a very important one, the Treasury acted upon their own view, and converted the saving into a deficiency. They went further, and they actually took an excess Vote in the House before the account had been laid before this Committee. Now it was certainly within the range of probability or possibility, that the Committee might have reported that the opinion of the Comptroller and Auditor General, instead of being technically wrong, was technically right, and if so, how could the action taken in the meantime by the Treasury have been rectified.

1808. I see that you state in paragraph 3 of your Report, "I have to report that the deficiency of 366,545 *l.* 5 *s.* 6 *d.* on the Account of Naval Services for the year ending the 31st of March 1868, has been voted by Parliament;"

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 July 1870.

are you required by the Act to report that Parliament has voted the deficiency?—No, we are not called upon by the Act to do so, at least not in specific terms. We are called upon generally to report for the information of Parliament the result of our examination.

1809. (To Mr. *Foster.*) Paragraph 4 is, "The Appropriation Account for 1868-9 has been prepared according to the form laid before the Committee of Public Accounts of Session 1869, by the War Department, showing, in distinct columns, the expenditure for the ordinary service of the navy, and the extra expenditure occasioned by the expedition to Abyssinia;" that is as regards the division between the ordinary service and the extra expenditure, but as regards the form of account, you prepared a form of account for the Civil Services by the request of the Committee, which they have adopted and recommended in their First Report to be used; do you think that there ought to be any alteration in this account?—I think the same words might be used for the Army and Navy Accounts as for the Civil Service Accounts.

1810. We have put, "More than Voted," and "Less than Voted" at the head of the fourth and fifth column in that account, I think?—I think it would be better to have it uniform.

1811. It could not quite follow that form here, could it, because it is headed, "Surplus," "Excess," "As compared with Net Expenditure, Column B," and "Surplus," "Excess," "As compared with Gross Expenditure, Column A"?—It would be "Net Expenditure, as compared with Grant," and "Gross Expenditure, as compared with Grant."

1812. The form ought to follow the form laid down in the First Report of the Committee as nearly as possible, ought it not?—I think so; and I see no difficulty in making it conform to it, if not entirely yet substantially.

1813. How would you suggest that that should be done?—I think it should stand in this way, "Net Expenditure compared with Grant;" "Less than Granted," "More than Granted," and "Gross Expenditure compared with Grant;" "Less than Granted," "More than Granted."

1814. (To Mr. *Beeby.*) What have you to say to that?—I see no objection to it for the sake of uniformity.

1815. It would seem right that the accounts should correspond?—Yes. (Mr. *Foster.*) At the foot, instead of "Net Surplus," and "Net Excess," it would be "Net Surplus" and "Net Deficit." (Mr. *Anderson.*) If you look at the Appropriation Account, page 12, you will see that it is done in the Comptroller and Auditor General's Report.

1816. Mr. *Goldney.*] Only that does not show the grant?—No.

1817. The advantage in the other form is, that you see first the whole grant and then you see how it is dealt with?—Yes.

1818. *Chairman* (to Mr. *Anderson*).] The Comptroller and Auditor General says, in the sixth paragraph of his Report, "The Estimates for 1868–9, as well for Army Services as Navy Services, after stating the total amount required under the respective votes, contained lists of sub-heads under which this Vote will be accounted for; and the Appropriation Act contains also a provision that a detailed Statement of the Savings and Deficiencies shall be laid before the House of Commons not later than one month after the Appropriation Account has been rendered to this department." That we have dealt with before; there would be an alteration wanted in the annual Appropriation Act, supposing the views that have been expressed by the witnesses before the Committee were carried out, would there not?—The Appropriation Act does not mention dates.

1819. It says "not later than one month" after the rendering of the Appropriation Account?—I do not think that the Appropriation Act refers to the general Statement of Savings and Deficiencies, but only to a statement of the cases in which the Treasury may have sanctioned expenditure not provided for in the respective votes; and this Statement is usually annexed to the Appropriation Account.

1820. (To Mr. *Beeby.*) The 11th paragraph in the Report of the Comptroller and Auditor General is, "Payments, amounting to 662*l.* 10*s.* 9*d.*, made at Naval Yards Abroad in the year 1868–9, have been charged to Vote 6, Sub-head R., 'Wages;' it appears that this expenditure has been charged to this Vote provisionally, in the absence of explanations; I have therefore to notice that charges have been made against a vote which may be found to have been incorrectly classified, and to be chargeable to other votes;" have you anything to say upon that?—With the view of meeting this objection, directions have been given that in future, where there is any item, the classification of which is questionable, and we have to write for an explanation, that item shall be disallowed, and not charged to any service account, until we get the explanation from the accountant, and can make the proper charge. That will meet the Comptroller and Auditor General's objection, I think.

1821. The 12th paragraph says: "I have to notice that an expenditure of 420*l.* 12*s.* 11*d.* for repairs to certain cottages, near the extension works at Portsmouth Dockyard, has been deducted from the old store and extra receipt moneys, under the head, 'Rents of Naval Premises;' as these rents should be paid in full into the Exchequer, the sum of 420*l.* 12*s.* 11*d.* has been applied without the directions of Parliament; what have you to say about that; will it be paid into the Exchequer?—The Admiralty have concurred with the Treasury in considering that in future these sums should be paid in full into the Exchequer, and that any charge of this sort should be voted by Parliament.

1822. Paragraph 13 is the "Amount of Old Store and extra receipt moneys, after deducting the sum of 420*l.* 12*s.* 11*d.*, shown in the memorandum attached to the Account, amounted to 226,968*l.* 7*s.* 11*d*; and the following sums have been paid into the Exchequer in respect thereof, viz.:—

	£.	s.	d.
August - 1868 - -	37,064	–	–
November 1868 - -	93,390	4	10
February 1869 - -	24,450	14	10
May - 1869 - -	72,028	17	10
Together - - - £.	226,933	17	6

Leaving 34*l.* 10*s.* 5*d.* to be adjusted in a subsequent payment; how was it that the whole of that sum was not paid over?—An error was discovered in the classification after the payment had been made, and it will be adjusted in a future payment.

1823. Paragraph

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 July 1870.

1823. Paragraph 14 is, "In accordance with directions of the Lords of the Treasury, a note has been appended to the account, showing, under each vote, the degree to which the account of the financial year has been affected by the rectification of errors or omissions in the accounts of previous years. A copy of a letter from the Admiralty respecting the amount of expenditure relating to the year 1868-69, not included in the account, is appended to the Report;" what have you to state upon that?—I would refer to the second paragraph of the Admiralty letter of the 26th February 1870, which you will find at page 14, relative to the subject.

1824. That, I suppose, was unavoidable?—That was unavoidable. The letter shows that out of our large expenditure, there is only about 800 *l.* not included in the Appropriation Account of the year.

On Vote 10.

1825. Mr. *Pollard-Urquhart.*] On Sub-head F, there is a very large excess for coals, independent of those used for the Abyssinian Expedition, amounting to 32,000 *l.* The note is, "17,500 *l.* of this excess is attributable to the fact that a portion of the coal sent out in the latter part of the year 1867-68 to the Cape of Good Hope, for transport service connected with the Abyssinian Expedition, not having been used for that service, constituted one unprovided charge against the Naval Store Vote." Will you explain that?—Coals to the extent of 17,500 *l.* were sent out to the Cape of Good Hope for the Abyssinian Expedition, but were not required for that Expedition, and therefore were not paid for out of the Vote of Credit, and fell as an unexpected charge on the Naval Votes.

1826. Then, in all probability, your vote for the expenditure for coals in the subsequent year will be diminished in proportion?—Yes, certainly.

1827. On section 2, Sub-head C, of this vote, there is a very large excess. The explanation given is, that it arises "from more work having been performed upon some of the ships than was expected when the Estimates were framed, and from payments having been made to the builders of the 'Agincourt,' 'Minotaur,' and 'Valiant,' amounting in the aggregate to 1,800 *l.* in discharge of their claims for extra votes. The sanction of the Treasury was given for 15,300 *l.* of this excess by letter of 9th March 1869." Has the sanction of the Treasury been received for the remaining part of this excess?—It would have been stated if it had.

1828. How has the remaining part of the excess been defrayed?—It was covered by the general sanction of the Treasury when the account was laid before them. It was defrayed out of the surpluses on other votes.

1829. *Chairman.*] Then the sanction has been given?—Yes. In the general sanction that is given to appropriate surpluses to meet deficiencies.

1830. Mr. *Sclater-Booth.*] The sanction alluded to in that paragraph, I apprehend, is a special sanction given at the time?—Yes, a special sanction given at the time.

1831. *Chairman.*] Has a subsequent sanction been given by the Treasury for a transfer from another vote?—Yes, in a general way; in sanctioning the appropriation of general surpluses in aid of general excesses, but not specially.

1832. Mr. *Pollard-Urquhart* (to Mr. *Anderson*).] Was your attention called to this case under section 2, Subhead C., where there was an excess of expenditure of 34,846 *l.* 14 *s.* 2 *d.*, of which excess the sanction of the Treasury was only given for 15,300 *l.*?—There is a saving upon the whole upon that vote. The excess is only on one subhead, and therefore it would not come before the Comptroller and Auditor General until the account was rendered.

1833. *Chairman.*] There is a saving upon the whole vote?—Yes. It would be within the power of the department to authorise the excesses upon some of the subheads to be applied to meet the deficiencies upon other subheads.

On Vote 11.

1834. Mr. *Pollard-Urquhart* (to Mr. *Beeby*).]—I see that several services under this vote have been deferred, and at the same time the vote on other subheads has been very considerably exceeded; sometimes it appears from the work having proceeded faster than was expected, and more having come in course of payment in the year than was anticipated; but in other cases it is uncertain whether the expenditure was for an entirely new work not contemplated in the Estimates or not; can you tell me whether services have been left unperformed in some cases, in order to provide a balance to meet deficiencies in other cases?—That is a question which it requires a professional person to answer. It is only the Director of Works who can answer that question.

1835. Mr. *Goldney.*] Does not the same question arise upon Subhead C. of Vote 10, which we have spoken of, where the ships were not built?—The same answer will apply to that.

1836. Mr. *Pollard-Urquhart.*] That does not appear to have been intentional; there was a failure on the part of the contractor to deliver the armour plates, but the saving under Subhead A, on Vote 11, New Works, Deptford, is caused "by deferring services not essentially necessary in prospect of the closing of this establishment"?—In that case, as the Admiralty expected to close Deptford Yard they would not incur this charge.

1837. It was because the establishment was about to be closed?—Yes.

1838. Mr. *Liddell.*] This is a question of accounts; it appears by a correspondence at page 63, that the sum of 8,000 *l.* was the cost of certain caissons, and that the Treasury thought that that amount ought to have been chargeable in the first instance to the vote for Bermuda Dock, and that certainly would appear to have been a sound objection, and they do not understand why it was not so charged; as it appears here it is charged against the vote for Haulbowline; has any step been taken to correct that?—It is explained in the correspondence.

1839. *Chairman.*] There is an explanation at the end of Mr. Romaine's letter of the 13th of February 1869, "My Lords would suggest that, as the cost of the permanent caissons for the Bermuda Floating Dock, now being put together at Bermuda, is chargeable to the dock; the caissons intended permanently for the Haulbowline extension, and provided for in the total estimate for that work, should be charged direct to

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 June 1870.

that service, although made available and temporarily appropriated for the trial of the Bermuda Dock in England"?—Yes.

1840. Mr. *Liddell.*] Suppose these caissons had been lost or detained in Bermuda, or injured, or anything else, the charge would appear in the vote for Haulbowline Dockyard?—That would have been adjusted in the accounts.

1841. *Chairman.*] They were lent to Bermuda, I suppose?—Yes.

1842. Mr. *Liddell.*] But it is an entirely incorrect mode of charge?—If any circumstance had occurred to prevent their being appropriated as intended, an adjustment would have been made, and the attention of Parliament called to it.

1843. Practically have these caissons been returned, or are they still in Bermuda?—I cannot answer that question.

1844. *Chairman.*] The Treasury, in their letter of the 22nd of February 1869, ask a question to which I find no answer in the correspondence; can you answer it now. The Treasury assent to 8,000 *l.* being charged against Haulbowline, but they say that they "presume, however, that the cost of the caisson for Haulbowline was included in the original estimate of 150,000 *l.* for the extension of this yard;" do you know how that is?—No, I cannot answer that question.

1845. Supposing that it had been lost or destroyed while on loan to Bermuda, then you say that it would have been chargeable to the Bermuda Dock Vote?—Yes.

1846. Mr. *Liddell.*] Supposing these caissons to have been lost, and that the Bermuda Dock repaid Haulbowline Dockyard the original cost of these caissons, namely, 8,000 *l.*, am I right in supposing that that 8,000 *l.* would have appeared in the account of the following year as an extra receipt, and been surrendered as such to the Exchequer?—It would have appeared in the following year's account, not as an extra receipt to be surrendered to the Exchequer, but as an adjustment of subheads; the Haulbowline Head being relieved, and the Bermuda Dock Head being charged with the cost; that is what we call an adjustment.

1847. Mr. *Goldney,*] There is a large saving, or rather a postponement of payment actually contracted for, on the works at Portsmouth; you say that the contractor has not done his work sufficiently fast, and therefore an amount of 100,358 *l.* 9 *s.* 11 *d.* is stopped; your explanation is "The temporary dam over the whole area of these works being incomplete, the contractors were not paid the sums expected to be advanced to them for permanent works during the year"; consequently, you will have to pay it next year; but the whole of that 100,358 *l.* 9 *s.* 11 *d.* has been expended on other works not contemplated at all by the vote. One is 12,185 *l.* 16 *s.* 5 *d.* connected with "New Works, &c., Admiralty, Whitehall, and Somerset House;" part of which was for buying a house at Whitehall, although it is a very debateable point on the Civil Service Estimates whether those public office votes ought to be exceeded in any way. Another item is a large sum expended at Malta, amounting to 16,874 *l.* It may be very right to execute those works, but that is a very large sum not saved, but merely omitted to be paid on account of works omitted to be executed. Will you explain how the sanction was obtained for that large sum of 100,358 *l.* 9 *s.* 11 *d.* being so dealt with?—With regard to coming into possession of the 100,000 *l.* that we could not help, it was forced upon us. With regard to the appropriation of any of it to meet any other expenditure, application is made to the Treasury before any portion is so appropriated.

1848. I observe it is all sanctioned by Treasury letters?—That shows perhaps one of the advantages of the report going to the Treasury.

1849. But it is dealing in the Navy Accounts with matters which are properly considered in the Civil Service Votes, namely, public offices; you are appropriating money voted for naval services to departmental buildings?—No; the expense of buildings for the Admiralty has always been included in the Navy Estimates. (Mr. *Anderson.*) The repairs of Admiralty buildings form no part of the Civil Service Estimates; they are all included in the Navy Estimates.

1850. The other great expenditure seems to have been at Malta, amounting to 16,874 *l.*; can you give any explanation about that; has there been any special application with respect to this Malta expenditure?—Yes; the Treasury letter of the 22nd of February 1869 refers to it.

1851. Mr. *Pollard-Urquhart.*] Referring to the Admiralty letter of the 1st February 1869, I see that the contractor makes a claim for "45,823 *l.* actual cash deficiency over receipts;" is it the system of the Admiralty Department that if a contractor loses by any work, the whole amount of his loss should be made good to him?—I am not aware that it is.

1852. Do the Admiralty consider it incumbent upon them to make good any part of his loss, supposing he loses by his contract?—If he can make out a fair case, and show that he has lost by his contract, he will receive proper consideration, not necessarily to the extent of the claim he may make, but to a fair and reasonable amount.

1853. Without any extraordinary circumstances having occurred, such as a great storm or a fire, if he has simply lost by a contract, would the Admiralty consider it their business to compensate him?—Not unless he can show proper grounds for it, in something unexpected having occurred. For instance, supposing, in making excavations, the contractor had come across rock which he did not expect, that would make the work more expensive.

1854. Mr. *Seely.*] I think you are aware that, without any such peculiar circumstances, contractors have been paid extra sums by the Admiralty when they have lost by a contract?—No, I am not aware of any such case.

1855. Are you not aware that certain ships were contracted for, and payments much in excess of the contract were made for them?—Yes; but that was after a strict investigation of the contractor's accounts.

1856. Upon the contractor showing that there was a loss to him, according to his own account, of a certain sum of money?—No, we do not take his own account; gentlemen were sent from the department to investigate his books and examine his statements. I know two or three of those cases.

1857. I see it is stated in the Admiralty letter of the 1st of February, that a sum of 19,937 *l.* was recommended to be paid to Mr. Gabrielli as a final payment, in consequence of his loss upon a contract; who recommended that?—It was recommended by the Director of Works, after consultation

consultation with the professional officers of the Admiralty.

1858. *Chairman.*] But this is not a matter within your province at all, is it?—No, it is more a question for the Director of Works.

1859. Mr. *Pollard-Urquhart.*] As far as you understand, is it the system of the Admiralty that the contractor gets all the profits, supposing a job to turn out to be much easier than he expected; but if it turns out to be harder and more costly than he expected, you make good his losses to him?—I do not think that that is the practice.

1860. *Chairman.*] Have you known other instances of this practice being followed?—Not with regard to works; I am not cognisant of those matters.

1861. Mr. *Goldney* (to Sir *W. Dunbar*).] At the close of this Admiralty letter, in reply to which the Treasury give their assent, they say, "It is expected that after meeting this and all further estimated liabilities to the close of the financial year, there will remain a probable surplus of about 5,000 *l.* on this Vote." Against which they propose to set off certain sums. Now they do really meet the estimated liabilities at the close of the financial year, because 100,000 *l.* had been stopped on the works at Portsmouth. On Vote 11, the estimated liability upon the works at Portsmouth was 279,858 *l.*?—We do not see anything of that account; ours is an audit of classification.

1862. (To Mr. *Beeby.*) The Navy Department audits it own accounts, does it not?—Yes, as regards the examination of the sub-accountants.

1863. The audit of the Comptroller and Auditor General is merely to the extent of classification?—What is called appropriation.

1864. That is classification?—Yes.

1865. Then with reference to this 100,000 *l.* in the column, "Less than Estimated," for Portsmouth, that is not a saving, but a mere postponement of payment?—It is a postponement of payment in consequence of the contractor not being able to proceed with his work as fast as was expected.

1866. It was not in consequence of the contractor not being able to proceed with his work; but the note says, "The temporary dam over the whole area of these works being incomplete, the contractors were not paid the sums expected to be advanced to them for permanent works during the year?—They were not paid the sum that was anticipated.

Sir *W. Dunbar*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*

6 July 1870.

1867. *Chairman.*] The contractors had not got so far on with their work as was expected?—Just so.

1868. Mr. *Goldney.*] It was no saving, it was merely a postponement?—Clearly.

1869. Then if the contractors had done the work that they anticipated at that time, there would have been a deficiency of 95,000 *l.*, instead of a surplus of 5,000 *l.*?—Yes, if other things had remained the same.

1870. I am referring to the letter of the Secretary to the Admiralty, at page 71, where he says, that after meeting this and all further estimated liabilities to the close of the financial year, there will remain a probable surplus of about 5,000 *l.* on this Vote; it was only because there had been a postponement of 100,000 *l.* that there was that surplus?—Yes.

1871. That was the case even though the estimated liabilities had not been met to the extent of 100,000 *l.*?—Yes.

1872. *Chairman.*] Do I rightly understand that when Mr. Baxter's letter went to the Treasury, stating that there would probably remain a surplus of about 5,000 *l.* on this Vote, the Admiralty had taken into account that the contractor had not made such progress on the extension of the yard at Portsmouth as was originally anticipated?—Yes, I think most probably that was the case, because it was so near the termination of the financial year.

1873. The words "estimated liabilities" in that letter do not mean the liabilities estimated at the beginning of the year, but the liabilities estimated at the time the letter was written?—Yes.

On the Vote for Greenwich Hospital and School.

Mr. Charles Dilkes Loveless, called in; and Examined.

1874. Mr. *Liddell* (to Mr. *Beeby*).] I observe that under Sub-head I, there is an excess appearing in the column headed "More than Estimate on account of Provisions, Clothing, Bedding, and Stores," of 1,978 *l.* 2 *s.* 7 *d.*, which is the only excess of any magnitude. That is explained as being "caused by the average number of men borne having been greater than was estimated for." I presume that means, that a greater number of pensioners refused to leave the hospital than was expected when the Estimate was framed, is that so?—It arose from a greater number of men having been admitted into the hospital than was expected, in consequence of the recommendation of the Committee of 1868.

1875. Where is that explanation given?—It does not appear in this paper; the note says that the excess was caused by the average number of men borne having been greater than was estimated for; that arose from a greater number having been admitted than was expected in consequence of a recommendation of the Committee of 1868.

Mr. *Loveless.*

1876. (To Mr. *Loveless.*) Not from their preferring to remain in the hospital rather than accept of out pension?—No, they were admitting men under the recommendation of the Committee of 1866, with a very low service.

1877. In fact it was a relaxation of the ordinary regulations?—Yes.

1878. (To Mr. *Beeby.*) Going to the next page I find under the Head of Service of the Schools under Sub-section W. "Provisions, Clothing, Bedding, and Stores," there is an excess of 1,200 *l.* 16 *s.* 1 *d.*; I should like some explanation of that excess; the only explanation given is that a larger amount was required for boys' clothing, stores, &c., than was estimated?—It arises from

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Ryan.*
Mr. *Bathurst.*
Mr. *Loveless.*

6 July 1870.

from an increase of the contract prices on the item for provisions.

1879. That being a charge which, of course, could not be calculated for?—Just so.

On the Greenwich Hospital Capital and Income Account.

1880. Mr. *Liddell* (to Sir *W. Dunbar*).] According to the last paragraph of your Report upon the Accounts of the Capital and Income of Greenwich Hospital, a question seems to have arisen whether the cost of the audit of those Accounts should be borne by the funds of the hospital; that is your own suggestion?—Yes.

1881. Has any answer been received to that suggestion of yours?—No, not yet.

1882. Is it still pending?—I fancy it is still under consideration.

1883. (To Mr. *Foster.*) The question as to whether the cost of the audit of the Greenwich Hospital Capital and Income Accounts should be borne by the funds of the hospital is still under the consideration of the Board of Admiralty and the Treasury?—The Treasury has written to the Board of Admiralty upon the subject, but no decision has yet been come to. (Sir *W. Dunbar.*) I have made a like recommendation in other cases with reference to accounts where funds existed out of which the cost of audit could be met. For instance, in the case of the Irish Church Accounts, I suggested last year to the Government that the cost of audit should be paid out of the fund. That suggestion was adopted by the Government, and a clause was inserted in the Irish Church Act to that effect. In another case with respect to the Mercantile Marine Fund, I made a like proposal, considering that where separate funds exist which are not actually public funds, and where the duties of audit are thrown upon the Comptroller and Auditor General's Department, the expenses of the audit ought not to be met out of the sum voted by Parliament for the Exchequer and Audit Department, but out of the funds the accounts of which are brought within the duties of that Department.

1884. Mr. *Goldney* (to Mr. *Ryan*).] Are you able to state what the expenses of the audit of the Accounts now under consideration are to the Audit Department at the present time?—The audit takes up the time of one senior clerk; the expenses might be between 300*l.* and 400*l.* a year.

1885. You think 500*l.* a year in round figures would cover it?—Certainly, that would more than cover it.

1886. And there is nothing in the Acts of 1865 and 1869 dealing with that case?—Not in the least.

1887. It is left open?—It is left open.

1888. Mr. *Liddell.*] Does the Exchequer and Audit Act give an unlimited power of referring to the Department of the Comptroller and Auditor General any Accounts other than those of the public departments, strictly speaking?—The Greenwich Hospital Accounts are audited under a special Act; but there is power under the 33rd section of the Exchequer and Audit Act in the case of accounts not relating to Imperial funds, to have them referred to the Audit Department.

1889. The Greenwich Hospital Act specially takes power to refer to the Comptroller and Auditor General's Department, or rather imposes upon that department the duty of auditing those Accounts?—Yes.

1890. But my question is, whether under the Exchequer and Audit Act there is an unlimited power of referring to the Comptroller and Auditor General's Department any accounts other than those of public departments?—Yes, that may be done by a Minute of the Treasury.

1891. *Chairman* (to Sir *W. Dunbar*).] That applies to any accounts which are in the nature of Public Accounts?—Yes; accounts which, though not directly referring to public funds, are considered to be of sufficient public importance to warrant the Treasury in calling upon the Comptroller and Auditor General to audit them.

1892 Mr. *Liddell.*] Then I presume that the accounts of the Irish Church to which you have referred would come within that category?—No; the accounts of the Irish Church are referred to us by a special enactment; the audit of those accounts is a duty thrown upon the Comptroller and Auditor General by the Irish Church Act itself.

1893. Then unless the duty of auditing accounts is thrown by special Acts of Parliament upon you, I presume there is no power to refer accounts to you for audit?—Yes; by the 33rd section of the Exchequer and Audit Act, the Treasury have the power to refer to my department such accounts as they may think of sufficient public importance to warrant them in calling upon my department to audit the accounts.

1894. And you have no choice but to accept the duty?—No, I have no choice at all; but of course a very large amount of expenditure might thus be thrown upon the public which the public ought not properly to bear; and it was for that reason that I have, in the two or three instances I have referred to, made suggestions, in the one case to the Government, when the Irish Church Bill was under consideration; and in the other two cases, to the Treasury, that the expense of auditing the accounts of those funds which I mentioned should be paid, not by the public, but out of the funds to which the audit related.

1895. By the body benefiting, or supposed to benefit, by that audit?—Yes.

1896. Mr. *Goldney.*] Would the Treasury have the power to charge a specific account with the expenses of audit without an Act of Parliament?—Yes, I think they would.

1897. *Chairman.*] In that Act of Parliament which empowers the Treasury to refer to the Comptroller and Auditor General other accounts than those named in the Act itself, there is no provision with regard to charging expenses of that audit, is there?—No.

1898. In that case the expenses would not be chargeable upon the funds the accounts of which were audited?—If the accounts were referred by the Treasury to my department, the expenses of the audit would be chargeable upon the public, but I say that in those particular cases to which I have referred, I have drawn the attention of the Treasury to the matter, in order that the expenditure might be met out of the funds the accounts of which were audited.

1899. The question was whether there would not

not be an Act of Parliament required to throw the expense of the audit upon the funds; perhaps you are not prepared to answer that question?—No, I am not prepared to answer it; but I think that the Treasury have dealt more or less with similar matters connected with the Mercantile Marine Fund. (Mr. *Foster.*) There are certain funds over which the Treasury has control, and they might require that those funds should bear the charge of the audit.

1900. *Chairman* (to Mr. *Loveless*).] Could that be done in the case of the Greenwich Hospital Capital and Income Account?—No, the Treasury has no power over the Greenwich Hospital Accounts. (Sir *W. Dunbar.*) The Greenwich Hospital Capital and Income Account, the Committee will observe, comes to the Exchequer and Audit Department under a special Act, and therefore the expense would fall upon the public. (Mr. *Anderson.*) The question would be rather a large one as regards the Mercantile Marine Fund. (Mr. *Foster.*) The Treasury have stated to the Admiralty that they "concur in that suggestion, and request that the Board of Admiralty will issue instructions to that effect after communicating with the Comptroller and Auditor General as to the costs incurred."

1901. *Chairman.*] Where does that appear?—In a Treasury Minute to the Admiralty, sent within the last two or three days. (Mr. *Beeby.*) Perhaps the Committee will allow me to suggest for consideration, whether this principle will not be applicable to other departments, and whether it will not have a wider extent than it is now proposed to give to it.

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Beeby.*
Mr. *Bathurst.*
Mr. *Loveless.*

6 July 1870.

1902. You are thinking, perhaps, of the Navy?—There is work done by other departments for Greenwich Hospital. The Paymaster General does work for it as a banker; his work is increased a little by having those duties cast upon him. The War Office pays some out-pensions; they would have a claim for something in respect of that work. The Board of Trade does something also.

1903. Mr. *Goldney* (to Sir *W. Dunbar*).] Still I think we may deal with your suggestion as it comes before us at the present moment?—If the Account of the Marine Fund were sent to the Exchequer and Audit Department, a large amount of expenditure would be incurred in auditing it. I am by no means ambitious of swelling my Estimates if I can possibly avoid it, particularly in connection with accounts which I think do not properly fall within the functions of the Comptroller and Auditor General, as a Parliamentary officer.

On the Consolidated Fund Account.

Mr. Charles Mallet, called in; and Examined.

1904. *Chairman* (to Mr. *Foster*).] The first point that arises upon this Account is with regard to the payment on account of Maynooth College; have the Treasury come to any decision upon that?—The Treasury have come to the decision that, up to the date when the errors were pointed out to the college, the amount overpaid should not be recovered, but from that date they adopted the strictly legal view of the question, and have compelled the college to admit the deductions.

1905. That is to say, they accept the fact that there was an over-payment, but they do not think it right to require it to be recouped?—Exactly so. We did recover certain sums from the college, which had been paid since the date when the errors were pointed out by the Comptroller and Auditor General.

1906. But why was not the over-payment abated in the next payment?—We have done so for every over-payment since the date at which it was pointed out by the Comptroller and Auditor General that the over-payments had taken place, but we did not go back beyond the date of the Comptroller and Auditor General's Report.

1907. With regard to the compensation to officers of the Court of Exchequer in Ireland, that is to come out of the Superannuation Vote?—It has been transferred to the Superannuation Vote.

1908. (To Mr. *Mallet.*) That is subsequently?—From the 6th of January 1869.

1909. (To Mr. *Foster.*) And the "Exchequer Bonds paid off"; that has been adjusted has it?—That has been adjusted.

1910. Mr. *Goldney.*] Does that 600,000 *l.* appear in the Account which is before us now?—No; it has been struck out.

1911. *Chairman* (to Mr. *Mallet*).] I do not see the sum for "compensation to officers, Court of Exchequer, Ireland"; it is included in that grant by way of loan, I suppose?—Yes; it is included in that.

Mr. *Mallet.*

1912. (To Mr. *Foster.*) I suppose rightly that ought to have been struck out, ought it not?—No, because the payments had been made out of the Consolidated Fund; the Exchequer Bonds had not been paid out of the Consolidated Fund.

1913. In the other case it had been paid?—Yes.

1914. But wrongly paid?—Wrongly paid in principle, but the omission was in the Act itself.

1915. Then ought it not to have been returned?—Yes, it ought to have been returned; but it has been going on for so many years that I think it would hardly have been worth while to pay one year's amount back, considering the many years for which it had continued.

1916. Mr. *Liddell.*] As regards the authority to charge that payment upon the Consolidated Fund, does not it require an Act of Parliament?—It was formerly charged upon the Consolidated Fund, but an Act was passed transferring the salaries and other charges from the Consolidated Fund to the Votes, and it was a doubtful question of law whether these Exchequer Annuities were included under that Act or not. According to the strict wording of the Act, it was clear that they were not included. The Treasury acted upon that strict view of the law, and did not transfer them, but upon its being pointed out by the Comptroller and Auditor General, and the Committee seeming to be of opinion that the intention was to transfer them, the Treasury adopted that view, and did so.

1917. Was that view adopted by the Treasury, upon

Sir *W. Dunbar.*
Mr. *Foster.*
Mr. *Anderson.*
Mr. *Bathurst.*

6 July 1870.

upon consultation with the law officers of the Crown?—I think it was not referred to the law officers of the Crown. I think it most likely that the Solicitor of the Treasury was consulted upon the point. The original Act had placed the charge upon the Consolidated Fund, and the Treasury adopted the view that under the later Act we might be allowed to bring it upon the Votes. The effect of what we did was, therefore, to bring it before Parliament, instead of withdrawing it from the view of Parliament.

1918. *Chairman.*] In the Third Report of the Committee of Public Accounts, last year, in paragraph 9, there occurs this passage: "With regard to the Consolidated Fund Accounts, the only question that appeared to them to require particular attention was raised by the Comptroller and Auditor General, namely, whether there is any public advantage in subjecting the Accounts of the Bank of England for the distribution of dividends to examination in detail by his office, or whether the objects of Parliament are not sufficiently answered by the records afforded in the accounts submitted annually to the House of Commons, and the certificate required by section 21 of the Exchequer and Audit Act. A competent and experienced witness having been examined on the subject, replied that he would not like to give an opinion without looking into the mode in which the Bank of England keep their Accounts, and ascertaining what control and check there is that the right sum on Account of Unpaid Dividends reaches the Exchequer; your Committee, therefore, recommend that this inquiry should be carried out by the Comptroller and Auditor General, in conjunction with the Treasury, without further delay." Has such an inquiry been made?—That inquiry has been made by the Secretary of the Audit Board, and one of the chief clerks of the Treasury, and the Treasury has received a report from those officers, in which they show good reason why the audit should not be continued. I have not any doubt myself that the Treasury will concur in that view, and direct the Bank and the Comptroller and Auditor General to cease for the future carrying out that audit.

1919. It rests with the Treasury to dispense with the auditing of that account?—Yes, it does; I might perhaps be allowed to hand in the report of the officers appointed to inquire into this matter, and the Treasury Minute upon it. (*The same were handed in*).

On the Woods and Forests Account.

1920. Mr. *Goldney* (to Mr. *Anderson*).] The Committee in their Third Report of last year, say in paragraph 11, "The Accounts of the Commissioners of Woods and Forests contain numerous items of expenditure, of which a part are for salaries and the expenses of officers, and the rest for disbursements in improving the landed estate of the Crown; none of this expenditure is voted by Parliament, whilst at the same time a large amount is voted by Parliament for the official establishment, and expenses of the Commissioners of Woods and Forests. Your Committee were informed that this mode of dealing with the expenditure was settled in the year 1851, when the separation of the expenditure from the receipts of public moneys had not been so fully carried out as at present, and the practice of voting the public expenditure had not been so generally adopted. Your Committee therefore recommend that the present mode of dealing with the expenditure of the Department of Woods and Forests should be again considered by Her Majesty's Government." I see that the salaries and expenses of receivers and stewards, and so forth, amount to about 25,000 *l.*, and a large sum is paid out of the votes for that service?—All the expenses of management, with the exception of the Chief Department in London, are paid out of the income.

1921. (To Mr. *Foster.*) Have you considered this recommendation of the Committee of last year?—To some extent, of course it is a question connected with the rights of the Crown; my own opinion as regards the most efficient and economical mode of conducting the service is, that it would be very desirable to bring the whole of the charges upon the Votes; but other questions of policy, and questions connected with the rights of the Crown enter into it, which might militate against that course being adopted.

1922. (To Sir *W. Dunbar.*) Do you know, as a fact, from auditing these Accounts, that some of the receivers are paid by salary and some are paid by commission?—Yes, it is so.

1923. (To Mr. *Bathurst.*) Can you state the name of the party who is paid by commission: I think he is connected with the metropolitan property?—I think Mr. Clutton is paid by commission, but I cannot remember the exact names of those who are paid by commissions and those who are paid by salaries.

1924. Does it appear in these accounts who is paid by salary; I think one person has a salary of 1,200 *l.* a year?—No, they are all included in this item "Salaries," &c.

1925. In auditing the accounts, of course you would have been able to find that out?—Yes, I should have ascertained it in detail, but I cannot speak to it now from memory.

1926. (To Mr. *Anderson.*) I understand that when the payment is by salary, the gross amount of the receipts of rents equals the amount received by parties who are paid by commission?—If you were to pay them by commission in London they would receive a very large amount indeed, because the rents are large. The receiver sits in the office at Whitehall, he is paid by salary, whereas the per-centage receivers, I believe, are chiefly local receivers in the country.

1927. But that distinction still exists in the office at present, of a portion being paid by salary and a portion by commission? — Yes. (Mr. *Foster.*) I am under the impression that one receiver does receive large amounts in London, and receives a very large commission for it.

1928-9. I think you stated that, in your opinion, it is desirable that the whole of the charges should come upon the Votes?—That is my opinion, as a matter of account.

The Right Honourable JAMES STANSFELD, a Member of the Committee; Examined.

Mr. *Foster.*
Mr. *Anderson.*
Mr. *Stansfeld,* M.P.

6 July 1870.

1930. *Chairman.*] HAS the recommendation of the Committee with respect to the Woods and Forests department received the attention of Her Majesty's Government?—Yes; the recommendation has been taken into careful consideration. As the Committee are aware, the charge for the head establishment of Woods and Forests is placed upon the Vote by Act of Parliament, 14 & 15 Vict. c. 42. The other expenses are not charged upon the Estimates, but the Trust of the Commissioners of Woods is to pay over into the Exchequer the net income of the Crown Estates in their management, after deducting all the expenses of management, save only those of the Head Establishment, excepted by Act of Parliament. If the suggestion of the Committee were to be adopted it would be necessary to introduce a Bill to modify the Civil List Act and the previous legislation; and the Government came to the conclusion that such a course could not be taken without the previous full assent of the reigning monarch, and that as a matter of policy it was not advisable to raise the question.

1931. Mr. *Goldney.*] The public are entitled to the whole profits of these Land Revenues during Her Majesty's life, are they not?—After deducting the expenses of management.

1932. The public are entitled to the whole income arising from them under the Act passed at the beginning of the reign?—The whole net income.

1933. We are not now speaking of the Act of 14 & 15 Vict., but of the Act passed at the commencement of the reign?—Yes, it is the net income only that goes to the public.

1934. Still they have a control over the mode in which this income is derived?—The administration of the Crown Estates by the Woods and Forests Department is more or less under the control of the Treasury, but the trust under the Act of Parliament is to pay over to the Exchequer the net income after deducting the expenses of management.

1935. Then the 14th & 15th Victoria, by which the State takes upon itself a portion of that management, is an alteration of that original agreement?—Yes, it is.

1936. Having made that alteration, do you not think that it is competent to Parliament to consider the question whether they might proceed further, and make further alterations?—It is perfectly competent to Parliament in the full constitutional sense of that word, that is to say, the Queen, Lords, and Commons, to modify the Civil List Act.

1937. Do you agree with Mr. Foster, that as a question of economy, it would be desirable to do so?—No, I am not prepared to agree with him; but I should say that I am prepared to agree with what I imagine is implied in his opinion, namely, that economies could be effected in the administration of those estates, but I do not think the only way to effect them is by placing the charges of the administration upon the Votes.

1938. Then would you recommend anything with reference to this passage in the Report of last year?—The conclusion, as I have already intended to say, at which the Government arrived, was not based upon an exhaustive consideration of the question whether such a charge would be *per se* advantageous, and conducive to economy or not; but it was based upon the view that it would be calling upon the sovereign to assent to a serious modification of the Civil List Act, and of the terms upon which the revenues of the Crown estates have always been surrendered to the public during the life of the reigning sovereign, and that that was not an advisable proposal to make.

1939. Mr. *Liddell.*] With regard to the mode of keeping the accounts of these Crown Estates, would it be possible to comply strictly with the provisions of the Exchequer and Audit Act, in so far as those provisions require the absolute surrender at the end of the year of all those balances. You must, in the management of a landed estate, retain, as I see they do retain, very large sums. I see the very first item in the account is "To balance, 72,318 *l.*" It is necessary to keep these large balances in hand for the management of large and important estates like this, and I presume that it would be impossible, in the management of those estates, so to comply with the provisions of the Exchequer and Audit Act as to require absolutely that the balances should be surrendered at the end of the year?—It does not appear to me that that would be a practical difficulty. As I understand, the suggestion is that the expenses of management should be chargeable to the Votes. Now, a vote might easily be taken for the expenses of management, and the unexpended balance of that Vote might be surrendered. That would be a totally different question from the question as to the way in which you would deal with the revenue.

1940. But the whole balance is not surrendered, because, of course, a large balance is left annually in the hands of the Commissioners of Woods and Forests at the commencement of every financial year, for the purposes of management?—Not of paying the expenses of management, so much as of dealing with the estates.

1941. I presume no material alteration in that respect could be made?—I am not prepared at this moment to say what changes would be necessary, but certainly the decision of the Government was upon the general ground of policy. I do not apprehend that there would be any insuperable difficulty in bringing the accounts of this department under an appropriation audit.

1942. (To Mr. *Foster.*) In the first column, under the head of "Receipts," there appears to have been a balance in the hands of the Commissioners of no less a sum than 72,318 *l.* and some odd shillings; I wish to know whether that large balance is left in their hands for the purpose of management?—I imagine that that is a sum which they keep in hand to meet any expenditure which they may be called upon to incur, either on account of management, or on account of the purchase of estates which they sometimes carry out.

1943. *Chairman* (to Mr. *Anderson*).] The purchase of estates would be on the Capital Account, would it not, and this is the Income Account?—The balance of income consists partly

Mr. *Anderson.*

6 July 1870.

of cash at the bank, and partly of balances in the hands of receivers and other persons who are concerned in the management of the estates, and it is understood that the balance should not be larger than they actually require for carrying on the service. The fact is this: the income of the year was about 446,000 *l.*; the outgoings chargeable upon that income amounted to 88,000 *l.*, so that the net revenue was 358,000 *l.* payable to the Exchequer, and they paid over 360,000 *l.*

1944. Mr. *Goldney.*] The question was, what necessity is there for keeping so large a balance as 72,000 *l.* in hand?—Probably, at the beginning of the year, there are very few rents coming in, and they require a certain sum to conduct their business.

1945. *Chairman.*] If you will look at the other side of the account, you will see that the expenditure for the year was 39,000 *l.*?—No, 88,000 *l.*

1946. Mr. *Goldney.*] It comes practically to this, that they keep the whole expenditure of the year in their own hands, at the beginning of the year, without looking to any of the receipts?—Not all, because a portion of it is distributed amongst their sub-accountants; but I admit that the amount of balance necessarily retained in hand for management is a proper subject for investigation.

Wednesday, 13*th July* 1870.

MEMBERS PRESENT:

Mr. Candlish.
Lord F. Cavendish.
Mr. A. Egerton.
Mr. Goldney.
Mr. Liddell.
Mr. Pollard-Urquhart.
Mr. Sclater-Booth.
Mr. Stansfeld.

WILLIAM POLLARD-URQUHART, Esq., IN THE CHAIR.

The Hon. CHARLES A. GORE, called in; and Examined.

Hon. *C. A. Gore.*
13 July 1870.

1947. *Chairman.*] You are one of the Commissioners of Woods and Forests?—I am.

1948. Mr. *Liddell.*] Will you be kind enough to tell the Committee why so large a balance of income as 72,318 *l.* 2 *s.* 3 *d.* appears to have been in the hands of the Commissioners of Woods and Forests on the 1st of April 1868?—The rents are received half yearly, and therefore it is necessary to keep such a balance in hand as will be sufficient to meet all the contingencies until the next half yearly rents are paid.

1949. Then are we to understand that it is customary to keep a balance of or near to that amount?—No; the balance on the 31st of March 1870 was 55,000 *l.*; it was a less sum than the balance in the previous year.

1950. Then we are to understand that the balance I have referred to was an exceptionally large balance?—It was an exceptionally large balance.

1951. Are you able to explain the exceptional circumstances under which it accrued?—No, I cannot at this moment.

1952. *Chairman.*] To the best of your recollection, were there any exceptional circumstances that year that made you think it necessary to keep an exceptionally large balance in your hands?—It is two years ago; I cannot say offhand,

1953. The net income paid into the Exchequer that year was 360,000 *l.*?—Yes.

1954. Mr. *Sclater-Booth.*] Do you think it important to equalise the payments into the Exchequer from year to year, and for that purpose hold over an exceptionally large sum to meet a deficiency below the average in another year?—That is one of the reasons why it is desirable to keep a balance.

1955. Mr. *Candlish.*] Why is it of importance to pay in a uniform sum?—The sum paid in is not uniform; it is an increasing sum.

1956. Mr. *Sclater-Booth.*] My question was, whether you considered it of importance to pay in a uniform sum into the Exchequer from year to year?—Not a uniform sum; for, as I stated last year in my evidence, the amount paid into the Exchequer in 1852 was 252,000 *l.*; in the year ended 31st March 1870 the amount paid into the Exchequer was 375,000 *l.*, and the estimated payments into the Exchequer in the current year will be 385,000 *l.*; therefore it is not a uniform but an increasing sum.

1957. Mr. *Candlish.*] What is the nature of the current liabilities throughout the half year?—There are the payments to receivers; in fact, the payments for all expenditure connected with the management of the property.

1958. Could you not so arrange your proceedings as that you should be left with a much smaller sum in hand?—I think in 1868 it was an exceptionally large sum, but I stated that last year it was 55,000 *l.*

1959. What do you regard as the normal balance that you must necessarily have in your hands?—I should think 40,000 *l.* would be sufficient.

1960. Then the 59,000 *l.* will be equally exceptional, or if not equally exceptional in degree, at least of the same nature?—Yes; but I think it will be less the next year.

1961. Mr. *Liddell.*] There is nothing which strikes an observer, I may say an outside observer, so much in looking over this account as the very small amount of the net receipts from what may be called the Royal Forests, as compared with the outgoings; can you give us any explanation of that?—The Royal Forests are not under me.

1962. Could you give us some idea of the reasons for the comparatively small net receipts?—The reason is that the woods are growing, and therefore until they arrive at maturity you can no more realise profit from them than you can from a crop of corn in June, which was sown in October. It is an unripe crop. During the whole century, from the time of William III., I believe, until 1811, there was very little planting done in the Royal Forests, therefore there is no succession crop; there only remained what had been planted about the time of William III., until 1811, when the system began of planting portions of forests under an Act of Parliament.

1963. Annually?—Yes, annually; and now there are 40,000 acres of growing timber which have not arrived at maturity. When they arrive at maturity, as the trees vary from one year old to 50 or 60 years old there will be a succession of crops; there will be a portion to be cut down every year and the land as cleared to be replanted.

1964. The profits now derived from cutting down timber are very small compared with what they will be?—The profits now are only derived from the thinnings, and from the very little that

Hon. *C. A. Gore.*

13 July 1870.

remains of the old timber of 160 or 170 years' growth.

1965. For the sake of illustration, I will exemplify the question I have just asked, by referring to Windsor Parks and Woods; I find that the receipts in the year 1868-9 were something short of 7,000 *l.*; 6,925 *l.* 8 *s.* 6 *d.* as against an expenditure of 20,054 *l.* 3 *s.* 7 *d.*; is that to be accounted for by extensive plantings done in that year?—No; there was no planting there, or, if any, a very inconsiderable amount. I was asked the same question by this Committee last year. Perhaps you will let me read the answer I gave then, for I think it states all I can say upon that point. "You are aware that there are 13,000 acres of pleasure ground which cost a considerable sum to maintain. The details of this amount of expenditure will be found in the Annual Reports to Parliament of the Commissioners of Woods. This park and the pleasure grounds, with the extensive plantations surrounding it, together with Ascot racecourse, and the estate of Bagshot, Virginia Water, &c., containing altogether about 13,000 acres, are not maintained for the purposes of revenue, but as part of the domain attached to Windsor Castle, the residence of the Sovereign, and for the enjoyment and recreation of the public. It would be obviously unreasonable to consider the income arising from and the expenditure upon this property as a matter solely of profit and loss," any more than it would in the case of Hyde Park and Richmond Park, and other parks which are pleasure grounds, and not laid out for profitable investments.

1966. Now I will go to one more item; I find that the income derived from the receipts from the New Forest amounts to 15,534 *l.* 7 *s.* 5 *d.*, but the expenditure amounts to 13,766 *l.* 14 *s.* 5 *d.*; is that to be accounted for by extensive planting?—Yes.

1967. I believe I was right in saying that the plantations are very extensive, and are going on remarkably well?—Yes.

1968. Mr. *Sclater-Booth.*] They are under the charge of Mr. Howard, I believe?—Yes, they are under the charge of Mr. Howard. A few years ago the New Forest Deer Removal Act was passed, by which the Crown gave up its right of deer feed, and was allowed to take in 10,000 acres for planting, and those 10,000 acres are being taken in, and therefore since the passing of that Act the planting has been very extensive.

1969. Mr. *Candlish.*] One word more upon this question of balances; it is your rule, is it not, to retain in hand money enough for your probable disbursements until the following half year?—Yes.

1970. Have you not always money coming in from time to time, perhaps from week to week, throughout the half year?—Yes; but the two periods of the year when the money comes in more freely are the two periods when the half-yearly rents are being paid either in London or in the country.

1971. I suppose you do not get your rents when they are due; like other people, you get them when you can?—Our Lady Day rents are payable about May to July; the Michaelmas rents are payable about November to January.

1972. They are payable, but not paid then, I suppose?—They are payable at Lady Day and Michaelmas, but they are paid practically as I have stated.

1973. What is the smallest balance you may have in hand throughout the currency of any ordinary half year?—The payments are made into the Exchequer every quarter.

1974. You speak of having a balance in hand of 59,000 *l.* at the end of a given half year?—Yes.

1975. To what sum may that be reduced; what is the lowest point to which that sum will come throughout the currency of the succeeding half year?—Perhaps on or before the 24th of June there will be paid into the Exchequer nearly a fourth part of the total sum to be paid in during the year.

1976. Mr. *Sclater-Booth.*] The point is this: You had 70,000 *l.* in hand at the beginning of April; how low is that reduced before the spring rents come to be paid, in May or June?—I could not tell you offhand.

1977. Mr. *Candlish.*] You subscribe to its being a sound policy that no money should be kept in hand beyond what is necessary to meet the liabilities?—Yes; that is the intention of the Act of Parliament.

1978. Then if you never have less than 30,000 *l.* in hand, you will always have 30,000 *l.* too much?—I do not see that.

1979. Does not it follow?—I think that the Crown Account is very much like any of our own accounts. We must not exhaust our account at our bankers, because we have current payments coming upon us week after week. If on the 31st of March we were to exhaust every farthing that we had at our bankers, we should have to overdraw our account the following week in order to meet our ordinary expenditure; therefore you must keep a balance in hand, and the question is what the amount should be.

1980. Do you make an estimate of your probable receipts and expenditure; when you determined to keep the 70,000 *l.* in hand, was that dependent upon an estimate?—Yes, it depends on an estimate; because each year it is necessary to inform the Chancellor of the Exchequer, before the Budget is brought in, what will be the probable sum to be paid into the Exchequer in the coming year, and in order to arrive at that probable sum it is necessary to estimate what will be the probable outlay and what will be the probable receipts.

1981. Mr. *Sclater-Booth.*] Can you tell us how far you are able to draw upon this balance of 70,000 *l.* before the summer rents come in?—I cannot at the moment, but I will look into it.

1982. I observe that the balance at the beginning and at the end of the year 1868-9 was about the same, namely, about 70,000 *l.*?—It was.

1983. It is 72,000 *l.* odd at the beginning, and 70,000 *l.* odd at the end?—So it appears by the account.

1984. Mr. *Liddell.*] Perhaps you will have a statement prepared in the office to satisfy the Committee on that point?—I will.

1985. Mr. *Candlish.*] Is it your policy to reduce your money in hand down to your necessities, that is to say, to the minimum which your necessities require?—Yes, it is.

1986. Mr. *Goldney.*] I drew the attention of the Committee last time to this circumstance: the whole expenditure is only 88,000 *l.*, and a very large portion of that consists of salaries; it would

would be hardly necessary to keep so large a balance if the salaries were paid at the same time that the rents were received?—That is the fact.

1987. Looking at the facts of the whole expenditure being 88,000*l.*, and a large portion of that being salaries payable at intervals, could it be necessary to keep anything like 70,000*l.* in hand; I understand that this is in addition to the balance of 73,000*l.* upon the Capital Account?—That is entirely distinct from the Capital Account, because the Capital Account can only be applied to purchases or investments in Consols.

1988. It is an additional sum in the hands of the office?—In the Bank of England.

1989. Mr. *Candlish.*] Whose duty is it to determine what shall be the sum kept in hand; is it the Chief Commissioner's?—Yes.

1990. Mr. *Goldney.*] Where is the line of distinction drawn as to the Woods and Forests' management over a portion of Windsor, and the Chief Commissioner of Works' management over another portion?—The Chief Commissioner of Works has to do with what is voted by Parliament.

1991. He has to do with the whole of the palace and gardens, has he not?—No, only the palace, and whatever is maintained out of the vote of Parliament. The Commissioners of Woods have to manage all that property, the expenditure on which is defrayed out of the income of the land revenues.

1992. Is that line of demarcation defined by Act of Parliament; the Chief Commissioner of Works has all the royal parks here under his charge?—Yes, except Windsor Park.

1993. And certainly the palace of Windsor?—Yes, Windor Castle is under him.

1994. Is the line of demarcation defined by Act of Parliament, or do the Woods and Forests manage all that has not been taken away from them?—The limits of the palaces and the property maintained by the Department of Works are defined by Act of Parliament, and whatever is not defined by Act of Parliament they do not maintain. Therefore all other parts of the Crown property not defined by Act of Parliament are maintained by the Commissioners of Woods.

1995. I was not quite certain whether there was a schedule or not?—The schedule is in the Act.

1996. *Chairman.*] You practically receive the rents on the day on which they are payable, that is to say, you receive Michaelmas rents in November, and Lady-day rents in June?—Yes, about that time.

1997. Then you look upon the income arising from rents as a tolerable certainty, do you not?—Yes.

1998. It was stated by one of the witnesses last Wednesday that some of the stewards of manors were paid partly by salary and partly also by commission; can you state what amount is paid in salaries and what amount in commissions?—I thought all the stewards are paid by commission, and none by salary; I am informed, however, that what you say is quite true.

1999. Mr. *Goldney.*] You have the words "by salaries" as well as "per-centage of receivers," the two together amounting to 9,507 *l.* – *s.* 10 *d.*, this account?—There are one or two little manors in Bedfordshire in which a salary of 5 *l.* or something like that is given.

2000. Is not one of the London receivers paid by salary?—Both are paid by salary; I think the Chairman's question referred to stewards of manors. Both the London receivers are paid by salary.

2001. *Chairman.*] And all the others are paid by commission, if I understand you rightly?—Yes, all the others under me are paid by commission.

2002. "Commission" meaning a per-centage upon the rents?—Yes, it means a per-centage upon the rents.

2003. Then of course there is no necessity to keep any balance in hand to pay those who are paid by commission on the rents, because they deduct the amount due to them as they receive the rents?—Yes.

2004. Which do you think is the more satisfactory way of paying?—By per centage; but not in the case of a London property like the Crown property, because the receivers of Crown property in London have nothing to do with the management; they are mere collectors of the rents, and the collection of the Crown property in London does not cost more than 1 per cent.; but in the country districts the receivers manage the property, and therefore an entirely different principle of payment becomes necessary.

2005. Is there any principle laid down for defraying a certain portion of the expenditure from your gross receipts, and defraying a certain portion of it from the Vote for Woods and Forests?—The portion that is paid by vote of Parliament is the salaries of the Office of Woods, according to an Act of Parliament.

2006. Then, if I understand you right, no actual salaries are paid by the department of Woods and Forests out of their revenue?—Only one receiver under me is paid by salary out of revenue.

2007. Mr. *Goldney.*] All the establishment charges are paid out of the vote?—Yes, all the establishment charges are paid out of the vote.

2008. That, I think, is the distinction; all the establishment charges are paid out of vote, and all the other charges are paid either by deduction from the receipts, or by the Woods and Forests department itself?—Yes.

2009. *Chairman.*] I see an item in your account for "fixed charges, pensions, stipends, and allowances, 5,068 *l.* 13 *s.* 5 *d.*"?—Those are charges made by sovereigns when they had the power of charging the estates; they were what are called fixed pensions; they have been recently transferred to the Consolidated Fund, and they will not appear in this account any more; that was done by an Act of 1866.

2010. If by chance you were out of funds to meet any demands that came upon you, could you get credit, or what should you do?—Such a thing has not occurred. I think we should have credit.

2011. Mr. *Candlish.*] Who would trust you?—I do not know, I am sure; nobody ought to be asked to do so.

2012. In other words, where would you get the money?—Such a thing could not occur; that is one of the advantages of keeping a certain balance in hand to meet such possibilities.

2013. Would the difficulty of obtaining money be so very great as to make it necessary to keep a large balance in hand to meet such an emergency?—I do not think that a large balance need be retained.

Hon. *C. A. Gore.*
13 July 1870.

2014. Mr. *Goldney.*] Are the rents paid into the account of the Woods and Forests intact, and is the expenditure drawn by the Woods and Forests department, or do the receivers pay themselves in the first instance, and then pay in the balance?—They have the right to deduct the poundage, but no other deduction without a special authority.

2015. All the moneys due to the Woods and Forests department are paid in intact, except the poundage?—Yes.

2016. And all the expenditure is drawn by yourselves upon the account of the Woods and Forests to meet those charges?—Yes.

2017. But the poundage is not paid in, but deducted?—Yes.

2018. *Chairman.*] If all the expenses were paid by a vote of Parliament, and there was any sudden demand upon you, you would be able to get the money to meet that demand in the same way as any other department does, would you not?—If the Treasury would advance a sum for that purpose out of some general fund we could, but not otherwise.

2019. Mr. *Candlish.*] It would become a case for the Insolvency Court, would it not?—I should think so, but it has not arrived at that yet.

2020. *Chairman.*] With reference to such items as the expense of maintaining the pleasure grounds which have been referred to recently, would it not, in your opinion, be better if all such expenses were defrayed by a vote of Parliament?—I think the Secretary to the Treasury explained that matter not long ago.

2021. Would not the whole system work better if they were so defrayed?—I do not think it would.

2022. The Secretary to the Treasury explained to us why they were not, but we want your opinion as to whether it would not work better if they were?—No, I think it would not work so well.

2023. Mr. *Sclater-Booth.*] Do you consider the present system of the administration of the Crown property an economical one, on the whole?—I believe it is as economical, or almost as economical, as that of any private property in England.

2024. What do you put the per-centage of management at?—I find that "the gross revenue in the year 1868-9 from" the land revenue, that is, excluding the forests and Windsor Park, which are exceptional properties, amounted to 396,641*l.* 10*s.* 3*d.*, and the Parliamentary and other deductions imposed upon or payable out of that sum amounted to 39,443*l.* 2*s.*

2025. Mr. *Liddell.*] What is that document from which you are reading?—This is a memorandum which was prepared this year, entitled "Observations respecting the Woods, Forests, and Land Revenues of the Crown."

2026. Is it private?—Yes. The deductions for management amounted to 39,443*l.* 2*s.*; that is divided in this way: "property tax allowed to Crown tenants, and various other fixed charges, over which the Commissioners of Woods have virtually no control, 4 per cent.;" that is perpetual pensions and other such charges: "works for the improvement and preservation of the Crown property, such as repairs of farm buildings, &c., 1 per cent.: donations to churches, schools, &c., 1 per cent.: miscellaneous charges, surveys, and local agency, collection and management, 4 per cent.," making a total charge of 10 per cent.; that is, 39,000*l.* upon 390,000*l.*

2027. That charge of one per cent. from repairs of farm buildings, &c., as compared to the charge for that purpose on ordinary estates is, I should say, rather a low charge?—Yes, it is a remarkably low charge.

2028. Are your farm buildings in good order?—Yes; I really believe that the Crown property is as respectable a property as any in England.

2029. Mr. *Candlish.*] You are bad landlords, in fact, are you not; you spend very little on improvements?—No, we spend a good deal on improvements.

2030. That is out of capital?—Yes, and we get a good return for that expenditure.

2031. Mr. *Sclater-Booth.*] You get full rack rents for all the property, do you not?—We are obliged to do so; the receiver, when he certifies the value of a farm for re-letting, is obliged to make a declaration, which is equivalent to an oath, that it is the full and fair value of the property.

2032. You send in to the Chancellor of the Exchequer in the winter the sum which you estimate will be payable from your surplus revenues into the Exchequer, do you not?—Yes.

2033. Supposing you find in the course of the year that that payment may be augmented, you make the augmented payment, do you not?—Yes, an augmented payment has been repeatedly made.

2034. Mr. *Goldney.*] Is the sum of 35,000*l.* which has appeared for some years as irrecoverable rents, intended to be written off altogether, or is it supposed eventually to be recoverable?—It is thought that it is not right altogether to write it off, because at some time some of the people indebted may become possessed of money, which would then be applied to the payment of this debt.

2035. That has not been altered in amount; I mean that it has been 35,919*l.* for two years?—I do not myself believe that it ever will alter its character, but that is the reason why it is considered not to be right to strike it off altogether, because it is supposed that at some future time the debtors may become possessed of some money which would then be made applicable to the payment of this debt.

Sir WILLIAM DUNBAR, Bart., Mr. WILLIAM GEORGE ANDERSON, Mr. MORGAN HUGH FOSTER, C.B., and Mr. CHARLES LISTER RYAN, called in; and Examined.

Sir *W. Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*
Mr. *Ryan.*

2036. *Chairman* (to Mr. *Anderson*).] If I recollect right, you gave evidence before the Public Moneys Committee, which sat about the year 1856 or 1857, respecting the advisability of the different departments holding separate balances in their hands, did you not?—So many questions came before that Committee, that I scarcely recollect the evidence that I gave upon that subject; but I have no doubt that that was one of the questions that was raised before the Committee.

2037. Was not one of the results of that Committee

mittee this, that instead of different balances being kept up for a variety of departments, all the balances were mixed together, and by that means a greater economy was effected in the balance?—That question had reference to the Paymaster General's balance; it had been contended that the Paymaster General should keep a separate balance upon every vote, but as there were 200 votes for the Civil Services, the Government considered that that required a very large amount of dead balance to remain in the Bank of England. The Paymaster General contended that it was desirable to place all the balances in one fund, by which a great economy would result from leaving a large amount in the Exchequer, which otherwise it would be necessary to issue to the Bank.

2038. Following out that principle, if all the expenditure of the Department of Woods and Forests was defrayed by a vote of Parliament, a very considerable economy in the balance of that department might be effected, might it not?—If the whole of the expenses of the Woods and Forests Department were defrayed by vote of Parliament, of course the revenue would be paid in in gross and the money would be drawn out of the vote from day to day to meet the ordinary expenditure.

2039. Then if it was drawn out of the same balance which was applicable to other votes, you would not recommend so large a balance as 70,000 *l.* being retained in hand just to meet the expenditure of the Woods and Forests Department alone, would you?—No; it would release nearly the whole of that balance to the Exchequer.

2040. Mr. *Goldney.*] With regard to the capital account of the Woods and Forests, they cannot expend any portion of that without an order from the Treasury, can they?—No; the capital remains there for investment.

2041. The Woods and Forests Department cannot re-invest any portion of the capital except upon an order from the Treasury?—No; because the whole department is under the control of the Treasury.

2042. As regards their revenue, they can spend that without an order from the Treasury, can they not?—The whole expenditure is authorised by the Treasury, though not specially as regards the Revenue Account. Most of the expenses are under permanent orders from the Treasury.

2043. Virtually the expenditure of the Revenue Account is under the control of the Commissioners of Woods simply?—Precisely.

2044. But the Commissioners have no power to make any expenditure or re-investment on Capital Account without a special direct order for the purpose from the Treasury?—I am not quite sure whether they require an order from the Treasury to invest their surplus cash in Consols.

2045. Except in the case of an investment in Consols, if they invest money in the purchase of estates or buying-up anything, they must have a special direct order from the Treasury?—Undoubtedly. The Treasury undertake the control of the whole department, nor can any large expenditure be made without their authority.

2046. No expenditure, either large or small, can be undertaken on the Capital Account without a special order from the Treasury?—No.

2047. If that is the case, what do you suppose is the object of keeping such a balance as 73,000 *l.* in hand?—It is frequently necessary to keep a larger balance than would otherwise be necessary upon the Capital Account; for instance, if they were contemplating a purchase, it would be necessary that they should have cash in order to complete that purchase, and the negotiations may take some time. I believe the practice is that whenever the cash balance is large, and it is not contemplated to apply it immediately in the purchase of an estate, it is invested in Government securities, and then they sell out when the money is required to complete the purchase.

2048. Does the Capital Account show the amount invested in public securities?—There does not appear to have been an investment during the year 1868–9, except a small sum.

2049. What is the total amount invested in Government securities?—£. 59,000 is the total amount of stock; that is the whole amount of balance that was held in stock.

2050. Does the account show the capital standing in stock to the credit of the Woods and Forests Department?—At pages 2 and 3 you will see the Capital Account with the balances stated. The balance is pretty nearly the same at the end of the year as at the beginning. There appears to have been only one small purchase of stock during the year, and no sale.

2051. What I wanted to get at, if the account shows it, was the total amount of stock belonging to the Woods and Forests Department?—£. 59,000 is the whole amount.

2052. Mr. *Liddell* (to Mr. *Foster*).] I presume it is by a Treasury Order alone that the accounts of the Commissioners of Woods and Forests have been referred to the Comptroller and Auditor General for the purposes of audit?—It is by Act of Parliament, not by Treasury Order.

2053. Mr. *Stansfeld* (to Mr. *Ryan*).] Does that apply to the Revenue Accounts?—Yes; both the Capital and Income Accounts of the Woods and Forests Department.

2054. Mr. *Liddell* (to Mr. *Foster*).] What is the Act of Parliament to which you just now referred?—The 14 & 15 Vict. c. 42. Under that Act the accounts were referred to the Commissioners of Audit. (Mr. *Anderson.*) There was an Appropriation Account required for the capital and income of the Land Revenue before the passing of the Exchequer and Audit Act.

2055. Mr. *Sclater-Booth.*] You mean that the Comptroller and Auditor General inherited that with his other burdens?—Yes.

2056. Mr. *Stansfeld.*] Your audit of this account is quite of the same nature as an Appropriation Audit?—It is of the same nature as an Appropriation Audit, but this is not an Appropriation Account, properly speaking.

On the Civil Contingencies Fund Account.

2057. Lord *F. Cavendish* (to Mr. *Foster*).] At page 14 of the Comptroller and Auditor General's Report, it is stated, "Your Lordships will perceive that the total amount of advances shown to have been outstanding on 31st March 1869, is 137,180 *l.* 17 *s.* 10 *d.* If from this amount the sum of the above mentioned items, viz. 440 *l.* 2 *s.* 7 *d.*, be deducted, there will remain a total of 136,740 *l.*, 15 *s.* 3 *d.* advanced from this fund during the year 1868–9, or 16,740 *l.* 15 *s.* 3 *d.*, in excess of the fund of 120,000 *l.*;" showing that the

Sir *W. Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*

13 July 1870.

the fund has been overdrawn to the extent of 16,000 *l.*?—Yes.

2058. Then it goes on, "I may observe that this is the second occasion since the establishment of the Civil Contingencies Fund, in 1862, upon which the permanent balance has been exceeded. The previous instance was in the year 1866–7, and was noticed in my Report, dated 19th July 1867, upon the accounts for that year, but the evidence given before the Committee on Public Accounts, upon which their Report of 19th July 1861 was founded, shows that a sum of 120,000 *l.* was then considered as amply sufficient for the current purposes of the fund"; do you consider that the circumstances have so far changed that the sum of 120,000 *l.* is not now sufficient?—I think that this question leads up to the point which I raised once before as to the mode of meeting expenditure which must be incurred on votes which have run short. There is no other means at present of meeting such a deficiency except out of this Civil Contingencies Fund. If the proposal which I made, of exceeding the vote, and leaving it as an excess of expenditure upon the vote, were adopted, we should then not have to go to the Civil Contingencies Fund to meet all excesses of expenditure which may arise upon the several votes of Parliament. Provided we had not to meet these excesses upon votes, no doubt the Civil Contingencies Fund of 120,000 *l.* would suffice for all incidental and unforeseen expenditure which does not fairly fall under votes; and I think that in granting 120,000 *l.* as a fund to meet incidental and unforeseen expenses Parliament hardly intended that the fund should meet the excesses of expenditure upon votes.

2059. Then you consider that either there must be a change in the system of providing for excesses upon votes, or that this sum of 120,000 *l.* must be increased?—I think so, otherwise occasions will occur when the fund will be overdrawn.

2060. Was the chief cause of the excess upon this occasion due to the excesses upon votes being charged upon this fund, or was there any other large draft upon this fund?—You may say that the excess was due entirely to the excesses upon votes being met out of the fund.

2061. Mr. *Liddell.*] There is a remark in the Comptroller and Auditor General's report, that it is not known in his department when the large advance of 4,440 *l.* 17 *s.* 5 *d.*, on account of the Emigration Commissioners, took place; can you give the Committee any information upon that subject, because I cannot find that any answer was given to that *quasi* question of the Comptroller and Auditor General?—The advance took place in 1859. The circumstances were these: the Emigration Commissioners had chartered a ship to carry out emigrants, the "John and Lucy," which was wrecked off the coast near Pernambuco. Two other vessels had to be chartered to carry on the emigrants to the Cape of Good Hope, which was their destination. This involved very heavy expense, and the agreement come to with the Colony, after considerable correspondence, was that the Imperial Government would bear half, and that the Colonies would bear half. I believe, according to the view of the Colony, they have repaid their half, but we claim that they have not paid their portion by the sum of 4,440 *l.* 17 *s.* 5 *d.*, and for a long time a discussion has been going on between the Imperial Government and the Colony as to the payment of that sum, but the final decision is that the Imperial Government will surrender its claim.

2062. Then it will be wiped off as a bad debt?—Yes.

2063. There is a very large sum, amounting to 37,395 *l.* – *s.* 11 *d.*, due from the Republic of Uraguay, and the Treasury Minute raises the point "whether Lord Clarendon is of opinion that the time has arrived when steps might be taken for the recovery of the debt in question"; are you aware whether the late Lord Clarendon has expressed any opinion to that effect, after the Minute was written?—There have been several communications with the minister on the spot upon the subject. He has always urged the Government to delay taking any steps to recover the debt in consequence of the great pecuniary distress of the country; but Lord Clarendon, before his untimely death, had given directions, at the instance of the Treasury, to press for the immediate payment in very urgent terms, and that despatch is now on its way to Monte Video.

2064. Mr. *Goldney.*] Did I rightly understand you to say that there was a formal answer from the Foreign Office to the Treasury Minute on that subject?—The Foreign Office sent over a draft despatch which they proposed to write to the minister at Monte Video, and the Treasury suggested certain alterations, making it still more urgent, which were readily accepted by the Secretary of State for Foreign Affairs.

2065. Mr. *Egerton.*] You stated, as I understood, in reply to Lord Frederick Cavendish, that you thought there were objections to the system of drawing upon the Civil Contingencies Fund in aid of excesses upon votes, and that you thought a better system might be devised; I did not quite understand what you would propose instead of drawing upon the Civil Contingencies Fund?—The department would be authorised by the Treasury to overdraw the cash account of the vote, allowing the Paymaster General to meet the excess out of his general balances.

2066. Then it would be necessary to provide a Supplementary Estimate?—As soon as the Appropriation Account was made up, an excess vote would be taken if the vote had been exceeded; but it is quite possible, that although on the cash account of the vote there may be an apparent excess of drawing over the money voted, yet, when the Appropriation Account is completed, it may turn out that there is no excess at all. The first operation merely touches the cash account, and it is cash that is supplied to meet the payments, but it may turn out that large sums are in the hands of sub-accountants abroad, which have not been spent, although they were issued out of the Exchequer, and that therefore there has not really been an excess of expenditure upon the vote.

2067. Mr. *Liddell.*] Am I right in supposing that the estimate on which the votes of Parliament for the purposes of civil contingencies are taken is rather a comparison with the accounts of a previous year than a regular estimate, which, I presume, it would be impossible to frame, for the very name would suggest the difficulty of framing a correct estimate of contingencies?—There is no estimate of civil contingencies: it is a permanent fund of 120,000 *l.*; it is a deposit fund

fund, out of which we meet unforeseen expenditure, as far as it is necessary, or as far as the money goes, and whatever final expenditure has been met out of this fund appears in the following year amongst the votes; then, as soon as Parliament has granted the money, it is replaced to the credit of the Civil Contingencies Fund.

2068. Then it is exactly the reverse process of any ordinary public account; it is an account rendered after the payment is made instead of an estimate framed in anticipation of expenditure? —Yes; the portion which falls into the subsequent vote is a list of payments which have been made.

2069. Mr. *Sclater-Booth.*] Do you think it is desirable to continue the publication of the list of payments in the Estimates of the current year; we have now before the Committee of Public Accounts the account of the Civil Contingencies Fund from year to year; do you not think that it is somewhat misleading to Parliament, when they vote the sum of 120,000 *l.* for Civil Contingencies, to have before them the items which have been paid out of that fund in the previous year, and which really never may be repeated again; you are probably aware that there are constant mistakes made and difficulties arising in Parliament by reason of this account being mixed up with the Estimate, and that there is a disposition to vote against the Estimate for Civil Contingencies on account of the sums which have been spent from it in the previous year?—The sums spent in the previous year are brought into one of the votes of Parliament in Class 7.

2070. Mr. *Goldney.*] Then you get your balance of 120,000 *l.* put to your credit again?—Yes.

2071. Mr. *Liddell.*] As soon as the money is voted the Civil Contingencies Fund is recouped to that extent?—Yes.

2072. Mr. *Goldney.*] I understand that there is 120,000 *l.* voted, from which the Treasury may make certain advances at their discretion, but they have to get the sanction of Parliament to repay these advances in the next year's Estimates? —Yes.

2073. Mr. *Sclater-Booth.*] That has nothing to do with my point; is it not misleading, and incorrect in principle, to mix up the account of the previous year's Civil Contingencies with the Estimate for the current year's Civil Contingencies?—It certainly does introduce the expenditure of one year into the Estimate of the following year, but how else are you to get it voted by Parliament, if it is thought desirable that the items should receive the sanction of Parliament.

2074. Mr. *Goldney.*] Is it not rather in the nature of a supplementary vote; you require this money to repay an advance just as you would if you had had a bank to go to in the meantime? —Yes.

2075. Mr. *Sclater-Booth.*] But the balance of the Civil Contingencies Fund, if there was any balance, would be surrendered at the end of the year, just as the balance of any other vote would be surrendered?—It is not a vote.

2076. A sum is voted for Civil Contingencies, is it not?—No, it is a permanent fund.

2077. But it must be replenished if it is exhausted, I suppose?—It is replenished by the expenditure, which has been advanced out of the fund, being voted by Parliament, and repaid to the fund.

Sir *W. Dunbar.*
Mr. *Anderson.*
Mr. *Foster.*

13 July 1870.

2078. How does the vote stand in Class 7?—Under "Miscellaneous Expenses," a vote is taken for those items of expenditure which were temporarily met out of the Civil Contingencies Fund.

2079. Mr. *Goldney.*] Having that fund fixed of 120,000 *l.*, how do you account for there having been advances to the extent of about 153,000 *l.*, as you will see by pages 4 and 5, and repayments to the extent of about 163,000 *l.*?—It arises from the fact that before the whole payments of the year are made, certain repayments fall into the fund during the course of the year.

2080. So that the 120,000 *l.*, though apparently exceeded, is not really exceeded on this account? —Not to that extent. It did happen that on the last day of the year the fund was overdrawn, but not to that extent. On page 8 you will see that the balance overdrawn was 16,896 *l.* 2 *s.* 4 *d.*

2081. That, you think, would be the largest balance in the course of the year?—That was the largest balance in the course of the year, for this reason. The account of the fund is made up on the 31st of March, and it is always during the last days of the financial year that the various votes run short, and that we are compelled to make large advances from the Civil Contingencies Fund to meet the current payments upon the votes.

2082. Lord *F. Cavendish* (to Sir *W. Dunbar*).] What do you think of the suggestion made by Mr. Foster that the excesses upon votes should not be met from the Civil Contingencies, but that the votes should be allowed to be overdrawn?—It is much too large a question for me to offer an offhand opinion upon. The question was deliberately considered some years ago, and, if I mistake not, Mr. Anderson gave evidence upon that point. The Chancellor of the Exchequer of the day was examined upon it. (Mr. *Anderson.*) The Civil Contingencies Fund was established in 1862 for the purpose of preventing what was termed then the misappropriation of balances belonging to other services.

2083. Mr. *Goldney.*] Then your view is, that if 120,000 *l.* was not enough, it would be better to make it 220,000 *l.* rather than revert to the old system?—Certainly; but I think the 120,000 *l.* ought to be sufficient, that is, if supplemental votes are taken in time. If you look to these accounts before you, you will see that the sum of 14,852 *l.* 7 *s.* 10 *d.* overdrawn for "Police, Counties and Boroughs, Great Britain," it must have been known before the conclusion of the year that that sum was deficient, and a supplemental vote could have been taken before the 31st of March; and there are several other similar items, for instance, 18,409 *l.* upon temporary commissions; that sum was paid long before the conclusion of the financial year, and the money might have been voted. (Mr. *Foster.*) I may observe, with regard to the "Police, Counties and Boroughs," that it is almost impossible to tell beforehand whether we shall overdraw the vote considerably or not. They are rather slow in sending up their accounts from the counties, and those accounts require a great deal of examination, and as the vote expires on the 31st of March, it is an object to pass every account which we possibly can before the close of the year.

2084. But I think you are rather slow in payments too; at least the accounting people complain of you as being rather slower than they are?

Mr. *Anderson.*
Mr. *Foster.*

13 July 1870.

are ?—In consequence of the Exchequer and Audit Act, we have to give every account for the police a detailed examination before issuing money for it, and it is always a hard push to get the accounts furnished, and the examination completed in time.

2085. Is there not an interval of considerably more than six months between the time of your receiving the accounts, and the money being received by the county treasury?—There is an interval of six months from the date when the accounts should be closed, but still we have great difficulty in getting up the accounts from the different counties and boroughs in anything like time to give them a proper examination.

2086. The suggestion of Mr. Anderson is that you would have ample time to get a supplemental vote when you saw those accounts, if they were greatly in excess of the money granted by Parliament for the purpose?—It is only towards the end of March that we begin to see how many of these accounts we shall be able to pay within the year.

2087. There is ample time from the end of March up to the end of the Session to get a supplemental vote?—No; because if we pay all we can pay upon the 31st of March, we may by that time have exceeded the vote by a large sum, supposing we pass more accounts than we had anticipated. The moment the 31st of March is passed, it is too late to take a supplementary vote.

2088. Not to get a supplemental vote?—Yes, it is. (Mr. *Anderson.*) I would make one observation upon that, namely, that the time taken for the examination of the accounts from the counties, and boroughs is so much time which the Treasury have for submitting an estimate to Parliament. (Mr. *Foster.*) I would wish to make one observation which touches upon the point which has been under discussion, and that is this, that there are constant excesses upon the Army and Navy Votes, and there is no fund to meet these excesses from, and therefore in principle the plan which I advocate is followed as regards the Army and Navy.

2089. Mr. *Sclater-Booth.*] We quite understand that what you propose would be an analogous arrangement to that which already obtains in the case of the Army and Navy?—Yes.

SECOND

REPORT

FROM THE

COMMITTEE

OF

PUBLIC ACCOUNTS;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

AND

MINUTES OF EVIDENCE.

Ordered, by The House of Commons, *to be Printed,*
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INDEX

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I N D E X

TO THE FIRST AND SECOND REPORTS.

[*N. B.*—In this Index the *Figures* following the Names of the Witnesses refer to the Questions in the Evidence; those following *App.* to the Pages in the Appendix; and the Numerals following *First Rep.* and *Second Rep.* to the Pages in the First and Second Reports respectively.]

A.

ABYSSINIAN EXPEDITION (ARMY VOTE). Obstacles to a classification of the expenditure for the Abyssinian Expedition under the sub-heads of the Vote; immense labour required, *Whiffin* 1633. 1648–1651. 1683–1696. 1701——Several discrepancies in the account in connection with the Expedition; further explanation promised on this subject, *ib.* 1634–1647. 1680–1682.

Witness explains certain discrepancies in the Army Appropriation Account in respect of charges for the Abyssinian Expedition, *Hanley* 1675–1679.

Reference to a certain paper laid before the Abyssinian Select Committee last year, as showing in great detail the expenditure in India, *Turner* 1697–1701——Conclusion that it would be almost impracticable to classify the charges for the Expedition under the sub-heads of the Vote, *ib.* 1703.

Accounts (Public Departments). Statement as to some public departments having formerly kept no accounts at all, *Foster* 1092–1094.

Administration of Votes. Improvement if one and the same Vote or Votes for like purposes were administered by one department only; suggestion to this effect in witness's report, *Sir W. Dunbar* 407. 425–432.——*See* also *Inland Revenue (Buildings, &c.)*

Admiralty, The. See *Contracts. Convict Service. Navy Accounts.*

Advances for New Courts of Justice. Explanations in connection with this Vote or Account, *Russell* 456, 457; *Bathurst* 458. 460; *Sir W. Dunbar* 459; *Foster* 460–462.

Alston, Francis B. (Analysis of his Evidence.)—Exceptional character of an expenditure of 1,741 *l.* 6 *s.* 10 *d.* in respect of the Niger Expedition incurred by the consul without previous report to the Foreign Office; conclusion as to the account having been verified by the consul, 1527–1544.

Anderson, William George. (Analysis of his Evidence.)—Respects in which the term "savings," though not strictly inaccurate, is likely to mislead, 19–21——Several terms which might be substituted for the words "savings" and "deficiencies;" approval of the terms "less than voted," and "more than voted," 22–25——Approval also of the adoption of the words "net sum to be surrendered," or "to be voted," 26–30.

Conclusion that the Civil Contingencies Fund was not intended to meet excesses upon all the Civil Service Votes, but only unforeseen and urgent expenditure; expediency of adhering to this rule, 170–176. 184–195——Opinion adverse to extending to the Civil Service Votes the power which exists in the case of the Army and Navy Votes of applying the saving on one vote to the deficiency on another, 177–181.

Exceptional instances in which excesses upon Civil Service Votes should still be borrowed from the Civil Contingencies Fund, 186–195——Opinion that there was nothing irregular in the sanction by the Treasury of an expenditure on the Inverness Court-house, though not directly voted, 232, 233.

Statement to the effect that the present arrangements secure a perfectly independent audit of the account of the Exchequer and Audit Department, and that no change is required, 624–630. 632–635.

Suggestions for meeting the difficulty felt by the Admiralty in supplying vouchers for certain payments for the convict service; proposal that certified extracts be furnished 358. 707–710

Reports, 1870—*continued.*

Anderson, William George. (Analysis of his Evidence)—*continued.*

707–710. 717–720——Practice formerly as to the Admiralty taking taking a Vote for the convict service, 727.

Evidence in explanation and support of the view that it is the duty of the Comptroller and Auditor General, under the 27th section of the Exchequer and Audit Act, to report to Parliament when there is an excess upon the sub-heads of any Vote, involving variation from the intentions of Parliament, 1434–1466. 1480–1485. 1500.

Explanation of a certain note by the Audit Office in regard to a sum of 162*l.* 15*s.* 4*d.* surrendered last year under Vote 10, in excess of the actual saving, 1552, 1553. 1560. 1563–1568.

Consideration of the proposal for rendering only one navy account; arrangement desirable in such case so that the account might be presented to the House by the end of January or the beginning of February, 1724–1741. 1749–1760——Advantage, if it were feasible, of the statement of savings and deficiencies, not only of the army and navy, but of the civil service, being examined by Parliament before the deficiencies are voted, 1756–1765.

Necessity of an Act of Parliament if the Savings and Deficiencies Account and the Appropriation Account are to be amalgamated, and are to be rendered at a different time, 1767. 1818, 1819——Approval of the report of the Comptroller and Auditor General going direct to Parliament, a copy being furnished to the Treasury, 1775.

Advantage of a certain form of account suggested for the Civil Service Grant, 1815–1817——Authority for the transfer of a surplus to cover a deficiency upon a certain sub-head of the Navy Vote, 1832, 1833.

Exceptional instances of the Admiralty making good any losses of contractors, 1851–1860——Reference to the practice of payment of receivers under the Office of Woods, the amount not coming on the Votes, 1920. 1926, 1927——Approval of investigation in regard to the large balance retained in hand by the Commissioners of Woods, &c., 1943–1946.

Consideration of the practice as to the balance kept in hand by the Commissioners of Woods and Forests; arrangement by which it might be largely reduced, 2036–2047——Small investment in stock on account of the capital of the Land Revenue during 1868–1869; 2048–2051——Appropriation audit in the case of the Woods and Forests Account, 2054–2056.

Opinion that the Civil Contingencies Fund of 120,000*l.* should be sufficient if supplemental votes are taken in time; instances in which such votes might have been taken, 2082, 2083. 2088.

Appropriation Accounts. Statement by the Committee that in the case of every grant for the Civil Services and the Revenue Departments an Appropriation Account has been rendered and reported upon, *First Rep.* iii.

Importance of the Committee being enabled to conclude their examination of the Appropriation Accounts before the time arrives for asking Parliament to make good deficiencies upon grants of the previous year, *Second Rep.* v.

See also *Army Accounts and Estimates. Colonial Accounts and Estimates. Court of Chancery* (*Ireland*). *Exchequer and Audit Department. Form of Account. Inland Revenue. Navy Accounts. Savings and Deficiencies. Science and Art Department. Sub-heads* (*Accounts and Votes*). *Virgin Islands* (*Colonial Vote*). *Woods and Forests.*

Army Accounts and Estimates. Exceptionally heavy character of the Army Account for 1868–69, so that the delay in rendering it was unavoidable, *Whiffin* 1632——Explanation as to witness not being prepared to supply certain details; he proposes to do so on a future occasion, *ib.* 1634. 1653, 1654——Steps taken for an improved classification in the Army Estimates for next year in regard to stores, *ib.* 1704, 1705.

Reference to the Act for a reorganisation of the Reserve Forces as having necessitated an alteration in the mode of charge under different heads in the Army Account, *Foster* 1655–1660——Statement as to the practice in the Army Account of dealing with liabilities arising from the transactions of previous years, and as to the modes in which any consequent deficiency in the vote for the year may be met, *ib.* 1669–1674.

Deficit of 1,305,850*l.* 4*s.* 1*d.* on the Army Grants for the year 1868–1869; how this has been provided for, *Second Rep.* iii——Late delivery of the Appropriation Account owing to the difficulty of bringing to charge the expenditure connected with the Abyssinian Expedition, *ib.*

See also *Abyssinian Expedition.*

Audit. See *Cost of Audit. Exchequer and Audit Department. Sub-heads.*

Reports, 1870—*continued.*

B.

Balances. Surrender to the Exchequer of certain balances due in relation to different votes, *First Rep.* vi.

See also *Savings and Deficiencies.* *Secret Service Money.* *Woods and Forests.*

Bank of England. Intention of the Treasury to dispense with the detailed audit applied to the Bank of England dividend accounts, *Foster* 1918, 1919.

Statement as to directions having been given for the discontinuance of the audit of the dividend accounts, *Second Rep.* v.

Beeby, James. (Analysis of his Evidence.)—Explanation of the causes of delay in the delivery of the Appropriation Account of Navy Grants, 1708, 1709. 1712, 1713—— Statement in support of a proposal that the Appropriation Account and the Savings and Deficiencies Account should be treated as one account, and be rendered at the same time, or on the 31st December, 1714–1720. 1722, 1723. 1742–1744. 1768–1773——Approval of amending the form of the Navy and Army Accounts according to the proposed form of the Civil Service Account, 1814, 1815.

Explanations relative to certain passages in the Comptroller and Auditor General's report upon irregularities or excesses under different sub-heads of the Navy Vote, 1820–1831——Statement as to certain apparent savings on sub-heads of the Navy Vote, being really postponements of expenditure, 1834–1837. 1865–1873——Information on the subject of some caissons charged against Haulbowline Dockyard, though used for a time in Bermuda, 1838–1846.

Practice of including in the Navy Vote the expense of all Admiralty buildings, 1847–1849——Causes of the excess of estimate in the case of Greenwich Hospital and school, 1874, 1875. 1878, 1879——Remarks relative to the cost of audit in the matter of the Greenwich Hospital Capital and Income Account, 1901, 1902.

British Museum. Reference to the apparently large saving in the British Museum Vote for printing catalogues, &c., *Foster* 1173, 1174.

Buildings (*Public Departments*). See *Inland Revenue.* *Office of Works, &c.* *Post Office.*

C.

China, Japan, &c. Explanation on the subject of accumulated excesses for some years past in respect of expenditure in China, Japan, and Siam, *Vine* 1386–1393.

Civil Contingencies Fund (*Excess of Civil Service Votes*). Explanation of the rule and practice in regard to excess of expenditure on any Vote being advanced out of the Civil Contingencies Fund, an excess Vote being subsequently taken in order to repay such advance, *Foster* 124–154. 158–168——Statement as to an excess of Vote, if charged directly upon the Civil Contingencies Fund, not appearing in the Appropriation Account as an excess of expenditure, *ib.* 136–140.

Opinion that it would be better if the Treasury had authority directly to sanction an excess of expenditure in the case of the Civil Service Votes, with a view to its being shown in the Appropriation Accounts; practice as to the Army and Navy Votes adverted to hereon, *Foster* 137–154. 158–168. 196–206.

Conclusion that the Civil Contingencies Fund was not intended to meet excesses upon all the Civil Service Votes, but only unforeseen and urgent expenditure; expediency of adhering to this rule, *Anderson* 170–176. 184–195.

Similar responsibility of the department whether an excess is met out of civil contingencies, or is sanctioned directly by the Treasury, *Foster* 182——Possible difficulty in the event of the Treasury not being able to meet excess of expenditure out of civil contingencies, *ib.* 183.

Exceptional instances in which excesses upon Civil Service Votes should still be borrowed from the Civil Contingencies Fund, *Anderson* 186–195.

Numerous instances of excess in which a supplementary Vote cannot be taken in time, it being important that the Treasury should have power to act in such cases, *Foster* 196, 197——Suggestions as to the limit up to which the Treasury might be authorised to sanction excess of expenditure on any Vote, so as to obviate advances from, and repayments to, Civil Contingencies, *ib.* 198–207——Great advantage if the Civil Service excess Votes were not taken till June or July, so as to enable the Select Committee of the House to investigate the accounts and excesses before the money is voted, *ib.* 208–211.

Explanations on the subject of the excess of the Civil Contingencies Fund of 120,000*l.*;

Reports, 1870—*continued.*

Civil Contingencies Fund (*Excess of Civil Service Votes*)—continued.

suggestion hereon that the excesses upon Votes be not met from the civil contingencies, but that the Votes be allowed to be overdrawn, *Foster* 2057–2081. 2088, 2089.

Opinion that the Civil Contingencies Fund of 120,000 *l.* should be sufficient, if supplemental Votes are taken in time; instances in which such Votes might have been taken, *Anderson* 2082, 2083. 2088.

Overdrawing of the sum of 120,000 *l.* adverted to by the Committee; further consideration proposed to be given to this subject, *Second Rep.* v.

See also *Tehran Mission.*

Civil Service Votes. See *Civil Contingencies Fund. Form of Account. Savings and Deficiencies.*

Cole, Henry, C.B. (Analysis of his Evidence.)—Recent reply by the Science and Art Department to a certain report upon the accounts of the department, 1084–1088——Responsibility of witness as accountant, though until lately he has had very little to do with the matter of the accounts, 1095–1097. 1168, 1169——Explanation on the mode of accounting for certain receipts and payments, and on the course pursued as regards certain fees, 1108–1112. 1114. 1122. 1144. 1146. 1150–1154——Large increase of expense for fuel and lights adverted to and explained, 1134–1143.

Cole, James Henry. (Analysis of his Evidence.)—Explanation as regards the Vote for the Tehran Mission House, that a sum of 8,000 *l.* was estimated to be expended within the year for the purchase of the site, and that no further expenditure was estimated for, 58–62. 65–67.

Colonial Accounts and Estimates. Explanation of the practice of the Colonial Office in dealing with certain extra receipts: regulation that in future all extra receipts shall be paid over to the Exchequer quarterly, *Lewes* 525–535. 537–544——Statement explanatory of the cause of an excess of estimate in respect of convicts at Gibraltar, *ib.* 983–986.

Explanation as to certain expenditure at Bermuda, the mode of charging which by the Colonial Office has been objected to by the Audit Department, *Lewes* 987–989——The Audit Office has not disallowed the sum in question, though it has called the attention of Parliament to it, *Ryan* 990——Explanation also as to a certain excess of the estimates in the case of Western Australia and Tasmania, *Lewes* 992——Difficulty of accurate estimate as regards passages of governors and other colonial officers, *ib.* 1408.

Inconvenience of the variation between the headings in the Appropriation Account of the Colonial Office and in the Vote, *Sir W. Dunbar* 1514–1520——Reference to certain variations between the headings in the Appropriation Account of the Colonial Office and the Vote: assimilation desirable, *Foster* 1521, 1522——Belief as to its being the result of accident that the headings in the Appropriation Account rendered by the Colonial Office differ from the headings in the estimate, *Lewes* 1523–1526.

Unavoidable irregularity at times as regards the payment of the salaries of colonial governors within the year, *Foster* 1406, 1407——Dissent from the statement of the Comptroller and Auditor General, that in the Colonial Vote there was a special appropriation by Parliament in the case of the salary of the Governor of Bermuda, *ib.* 1508.

Statement by the Committee as to the account of Vote 10, Class III., not being wholly satisfactory, *First Rep.* iv.

See also *Virgin Islands.*

Commission (*Public Accounts*). Explanation as to the appointment and action of Mr. Vine and witness as a Commission of Public Accounts, *Foster* 1092–1095.

Comptroller and Auditor General. See *Exchequer and Audit Department.*

Consolidated Fund. Rectification of the error of introducing into the account the 600,000 *l.* due upon Exchequer Bonds, *Foster* 1909, 1910. 1912–1917. *Second Rep.* v.

Consular Vote and Expenditure. Uncertainty concerning a small quantity of stores which prevented a separate record of the expenditure in respect of the Votes for Consular Buildings, China, and Consular Buildings, Japan, *Foster* 1. 3, 4. 6–8——Provision of some stores, on the orders of Major Crossman, whilst it was impossible to say in which consulate they would be used, *ib.* 1. 3, 4. 6–8——The separation will be complete in future, *ib.* 1.

Statement as regards some stores provided for the consulates in China and Japan, that these did not come in any way within the province of the Office of Works, *Russell* 2. 5——Further information as to the Treasury having had no knowledge whether a certain item should be charged to the China or Japan consulates, *Foster* 51–57.

Exception taken to the Consular Vote as including the military half-pay of Colonel Mansfield, consul at Warsaw, *Ryan* 1308, 1309. 1312——Particulars in connection with the charge in the Consular Vote of the military pay and the consular pay of Colonel Mansfield;

Reports, 1870—*continued.*

Consular Vote and Expenditure—continued.

Mansfield; conclusion of the Treasury that the military pay should be charged against military funds, *Foster* 1305, 1306. 1310, 1311. 1313–1325——Excess of expenditure under the sub-head "Incidental Expenses" of the Consular Vote adverted to and explained, *ib.* 1326–1329.

Explanation as to an irregularity in the payment of 26 *l.* 13 *s.* 4 *d.* as pension to Mr. Neal, consul at the Piræus, for which no receipt was procured, *Foster* 1572. 1574, 1575——Grounds for the objection by the Audit Office in regard to the sum paid as pension to Mr. Neal, consul at the Piræus, *Ryan* 1573, 1574.

See also *Niger Chiefs, &c.*

Contracts (*Admiralty*). Exceptional instances of the Admiralty making good any losses of contractors, *Anderson* 1851–1860.

Convict Service (*Admiralty*). Incorrect proceeding of the Admiralty in not furnishing the vouchers with a certain account of charges paid for the convict service, *Ryan* 700, 701. 709–712——These vouchers might be inspected at the Admiralty, *ib.* 717.

Explanation as to the Admiralty not having furnished the Directors of Convict Prisons with vouchers for certain payments for convicts; approval of an inspection of these vouchers at the Admiralty, *Edwards* 702–706. 713–716——Facility of furnishing certified extracts from the vouchers, *ib.* 721. 731.

Improvement if certain charges for convicts were estimated and accounted for by the Admiralty, *Foster* 722, 723. 725, 726. 729, 730——Suggestions for meeting the difficulty felt by the Admiralty in supplying vouchers for certain payments for the convict service; proposal that extracts be furnished, *Anderson* 707–710. 717–720——Practice formerly as to the Admiralty taking a vote for the convict service, *ib.* 727.

Statement by the Committee as to the expediency of the Admiralty suggesting some means of obviating the difficulty as to vouchers in respect of Vote 21, Class III., as to convict ships, &c., *First Rep.* v.

Cost of Audit. Evidence as to the expediency of the cost of audit of certain accounts not falling on witness's department; statement hereon as to the power of the Treasury to refer accounts to witness for audit, *Sir W. Dunbar* 1880–1882. 1883. 1891–1900. 1903.

See also *Greenwich Hospital and School.*

County Prisons, Ireland. Statement as to a saving in respect of maintenance of prisoners in county prisons, Ireland; further explanation asked for by the Treasury, *Foster* 691.

County Prisons and Reformatories, England. Explanation as to a deficiency in respect of maintenance of criminal lunatics in private lunatic asylums, *Blackwood* 674–677.

Court of Chancery, Ireland. Circumstance of no explanation having been given of the causes of variation between expenditure and grant in the case of the Court of Chancery in Ireland, *Sir W. Dunbar* 738–741.

Statement as to the Treasury having called upon the Accountant General of the Court of Chancery, Ireland, for certain explanations about the accounts, which are in a most unsatisfactory state; independent position assumed by this officer, *Foster*, 742–750——Error in the estimate as regards the salary of an officer in the Taxing Office, *ib.* 755, 756——Expediency of the Accountants General of the Court of Chancery in England and Ireland being Treasury Officers, *ib.* 1063–1075.

Witness represents the Accountant General of the Court of Chancery in Ireland, but is unable to explain the causes of variation between the expenditure and the grant, *Piggott* 998–1017——Explanations on certain specific points raised by the Committee in respect of the estimate and expenditure, *ib.* 1018 *et seq.*

Memorandum by W. Neilson Hancock, dated 22nd April 1870, in explanation of certain points raised as to Vote No. 24, Court of Chancery (Ireland) *App.* (*First Rep.*) 124, 125.

Approval by the Committee of a suggestion that in order to insure proper accountability the accountant should be an officer more or less under the control of the Treasury, *First Rep.* iii.

Court of Exchequer (*Ireland*). Explanation as to some payments out of the Consolidated Fund for compensation to officers of the Court of Exchequer in Ireland, *Foster* 1907. 1909, 1910. 1912–1917.

Curragh of Kildare Salaries. Consideration of the conclusion arrived at by the Comptroller and Auditor General that Curragh of Kildare salaries should have been charged to civil contingencies; amended arrangement contemplated, *Foster* 553. 555, 556. 560, 561——Grounds upon which the Audit Department concluded that Curragh of Kildare salaries should have been charged to Civil Contingencies, *Ryan* 554. 557–559.

Reports, 1870—*continued.*

Customs (*Collection of Duties*). Impracticability of attempting to show the real cost of the collection of customs duties in the Estimate, *Foster* 1596–1598.

Customs (*Extra Receipts*). See *Extra Receipts.*

D.

Deficiencies. See *Civil Contingencies Fund.* *Form of Account.* *Savings and Deficiencies.*

Diplomatic and Consular Services, China. Information relative to the contribution from India revenues of a sum equal to one-third of the charge for diplomatic and consular services in China, *Foster* 1379–1384.

Dividends (*Bank of England.*) See *Bank of England.*

Dunbar, Sir William, Bart. (Analysis of his Evidence.)—Improvement if one and the same vote or votes for the like purposes were administered by one department only; suggestion to this effect in witness's report, 407. 425–432——Explanation as regards a certain expenditure on buildings by the Inland Revenue Board that witness was given to understand both by this department and by the Treasury that the latter had sanctioned a transfer of the item in question from the Inland Revenue Vote to the Office of Works Vote; hence the remarks on the subject in his report, 407, 408. 418–431.

Conclusion as to the Appropriation Act covering the expenditure which the Treasury sanctioned out of the Inland Revenue Vote by putting in an additional sub-head, 410, 411. 417–431——Rules laid down by witness in communication with the departments, showing how the audit department would be guided in dealing with payments under different circumstances, 415–417.

Statement as to witness not having made a supplementary report upon the Portland Harbour Account; question of his now doing so, 450–455——Delay in sending in the whole of the Admiralty Accounts; witness has, however, reported upon them, 451, 452.

Reference to a correspondence between the Treasury and the Exchequer and Audit Department on the subject of the audit of the accounts of the department, 595. 636——Advantage of appointing an independent auditor of this account, rather than of handing over the account to the Treasury; argument that in the latter case the independent position of witness's department would be lowered, 595–614. 622, 623. 636.

Views of Mr. Gladstone as to the great importance of witness's office, and the necessity of its entire independence, 595——Extent of control of the Treasury over the salaries in witness's department, 608–611. 614——Power of witness in regard to promotions in his department, all first appointments being made by the Treasury, 612, 613. 617–619——Conclusion as to the sufficiently independent character of the present audit of the account of the department, 631. 636.

Circumstance of no explanation having been given of the causes of variation between expenditure and grant in the case of the Court of Chancery in Ireland, 738–741.

Grounds for the conclusion that the legal opinion cited by Mr. Hammond on the question of foreign secret service expenditure is based on wrong assumptions, and that the Audit Department have a legal right to require an appropriation account, 828, 829. 903 *et seq.*——Right of the Audit Office to call for an account under their Act of 1785; error of Mr. Hammond in stating that the account is rendered under the Civil List Act, 904.

Witness contends that no inconvenience would arise from rendering an annual account; suggestions as to the form of such account, and the vouchers and affidavits to be furnished, 904–912. 915–945. 948, 949——Expediency of any balance at the end of the year being surrendered, 913–915——Comment upon the view that issues from the secret service vote are equivalent to payments, 913——Statement that the account for secret service has since 1807 been an appropriation account, 914.

Requirement by the Exchequer and Audit Act of 1785 that an account should be rendered within 20 months from the commencement of the financial year, 915. 955–957——Expediency of payments, and not issues, being included in the account, 915. 933——Statement showing that several accounts have been rendered by the Foreign Office in periods much less than 20 months, 915–920. 926, 927——Practice of ministers abroad to draw bills on the Treasury, when they have occasion to expend money for secret service, 920–924.

Explanation that, according to the plan advocated by witness, no inconvenience would arise on the score of publicity, 925–935. 938–945. 948, 949. 974–978——Exception taken to Mr. Hammond's statement, that the Secretary of State should have a half-year's balance in hand for any emergency, 934——Comparatively short periods within which the Colonial Office and Home Office render their secret service accounts, 935. 946, 947.

Further

Reports, 1870—*continued.*

Dunbar, Sir William, Bart. (Analysis of his Evidence)—*continued.*

Further statement as to the legal right of the Audit Office to call for an appropriation account of secret service payments by the Foreign Office, 972–974.

Explanation as to certain exceptions taken to the accounts of the Science and Art Department, 1118, 1119. 1121. 1146–1148. 1150. 1153.

Evidence in support of the conclusion that a greater subdivision is required of the estimate and the accounts of the Irish National Education Department, 1186–1191. 1197–1200. 1205–1207. 1215–1217. 1226–1230. 1240, 1241. 1245, 1246.

Argument as to the propriety of the course pursued by witness in reporting that certain costs incurred by the Vice Chancellor of London University as returning officer were not properly chargeable to the Parliamentary grant, 1262–1265. 1280–1284. 1288—— Expediency rather of the payment being charged, temporarily, to civil contingencies, 1280.

Question considered as to the mode of dealing with a charge for "presents to Niger chiefs," there being no sub-head to include this expenditure, 1298–1302——Opinion that certain expenditure incurred by the consul at Lukoja, on the Niger, should have been charged against the vote for extraordinary expenses for foreign missions, 1362.

Circumstance of the Audit Office not having called for any explanation of an excess of 2,769*l.* on account of legation guards in China and Japan, 1373. 1377, 1378—— Reference to a suggestion by witness as to the mode of charging freight of specie, 1394. 1397.

Exceptions taken to the conclusion arrived at by Mr. Foster, as regards witness's report upon an item of 431*l.* 7*s.* 10*d.* expended in the Virgin Islands; witness contends that he would have failed in his duty to Parliament if he had not reported that this sum was not properly chargeable to the vote, 1410, 1411. 1413, 1414. 1428–1433. 1467–1480. 1484–1499——Communications between the Colonial Office and Audit Office in reference to the foregoing matter, 1413.

Argument that it is witness's province and duty to look at the whole estimate, as laid before Parliament, including the sub-heads, in order to see that the money voted has been devoted to the purposes intended, and to report thereon; he has no power to disallow, 1428. 1467–1480. 1485–1499——Inconvenience of the variation between the headings in the appropriation account of the Colonial Office and in the vote, 1514–1520.

Suggestion as regards the account of witness's department, that the security of a certificate by the accountant be adopted, as in the case of the Army and Navy Account, 1626–1628——Efficiency of the present checks upon the expenditure of the department, 1631.

Suggestion as to the time in which witness's report upon the Navy Accounts might be ready for the House, if the accounts were rendered to him on the 31st December, and if the report did not go through the Treasury, 1721. 1745–1748. 1752——Approval of a proposal for rendering the Navy Appropriation Account and the Statement of Savings and Deficiencies as one account, 1745. 1774.

Statement as to its being the invariable rule of witness's department to report to the Treasury whenever the Treasury regulations are departed from by the accountants, 1781. 1787–1790. 1799–1801. 1807——Report by witness to the House in the event of the Treasury not sanctioning any expenditure reported upon by witness to the Treasury as irregular, 1781. 1787, 1788. 1802, 1803. 1807.

Statement as to witness not being specially called upon by Act to report that deficiencies have been voted, 1808.

Evidence as to the expediency of the cost of audit of certain accounts not falling on witness's department; statement hereon as to the power of the Treasury to refer accounts to witness for audit, 1880–1882. 1883. 1891–1900. 1903.

Dundrum Criminal Lunatic Asylum (Ireland). Unsatisfactory explanation received by the Treasury in respect of the Vote for Dundrum Criminal Lunatic Asylum, Ireland; expectation of a more satisfactory account in future, *Foster* 1624, 1625.

E.

Edwards, George M. (Analysis of his Evidence.)—Explanatory statement on the part of the Accountant General of the Navy as to the delay in rendering an Appropriation Account of the Portland Harbour Vote; this delay will not occur again, 439–449—— Desire of the Admiralty for an extension of time for preparing the Appropriation Account of Navy Services, 441.

Explanation as to the Admiralty not having furnished the Directors of Convict Prisons with vouchers for certain payments for convicts; approval of an inspection of these vouchers at the Admiralty, 702–706. 713–716——Facility of furnishing certified extracts from the vouchers, 721. 731.

Reports, 1870—*continued.*

Emigration Commissioners. Grounds for objecting to the conclusions arrived at by the Audit Office as regards a sum of 162 *l.* 15 *s.* 4 *d.*, assumed to be expended by sub-accountants of the Emigration Commissioners, and excluded from the accounts for the year 1867-68; *Vine* 1545. 1547-1550. 1561-1563.

Explanation of the course pursued by the Audit Office as regards an item of 162 *l.* 15 *s.* 4 *d.*, under Vote 10, surrendered in excess of the savings of the previous year, *Ryan* 1546-1548. 1551. 1555-1559. 1563; *Anderson* 1552, 1553. 1560. 1563-1568——Statement that the correction of the error made in the surrender of the saving on the previous year's vote was the duty of the Treasury, *Sir W. Dunbar* 1554; *Anderson* 1560.

Opinion of the Committee that the expenditure of the sum of 162 *l.* 15 *s.* 4 *d.* should have been shown in the account, *First Rep.* v.

Excess of Expenditure. See *Civil Contingencies Fund. Form of Account. Savings and Deficiencies.*

Exchequer and Audit Department:

1. *As to the Audit of the Account of the Department.*
2. *As to the Department reporting to the Treasury, or directly to Parliament.*

1. *As to the Audit of the Account of the Department:*

Exception taken to the present arrangement by which the Account of the Exchequer and Audit Department is rendered for audit by the Secretary of the Department, *Foster* 569-576. 631——Statement in favour of the Treasury conducting the expenditure and rendering the account of the department; belief that this would not lead to the impression that the department was under the control of the Treasury, *ib.* 577-594——Control by the Treasury of all original appointments in the department, the promotions being made by the Comptroller and Auditor General, and the salaries being all fixed, *ib.* 586-594. 615, 616——Doubt as to the expediency of appointing an independent officer to audit the accounts of the department, *ib.* 620, 621.

Reference to a correspondence between the Treasury and the Exchequer and Audit Department on the subject of the audit of the account of the department, *Sir W. Dunbar* 595. 636——Advantage of appointing an independent auditor of this account, rather than of handing over the account to the Treasury; argument that in the latter case the independent position of witness's department would be lowered, *ib.* 595-614. 622, 623. 636—— Extent of control of the Treasury over the salaries in witness's department, *ib.* 608-611. 614——Power of witness in regard to promotions in his department, all first appointments being made by the Treasury, *ib.* 612, 613. 617-619——Conclusion as to the sufficiently independent character of the present audit of the account of the department, *ib.* 631. 636.

Statement to the effect that the present arrangements secure a perfectly independent audit of the account of the department, and that no change is required, *Anderson* 624-630. 632-635.

Suggestion as regards the account of witness's department that the security of a certificate by the accountant be adopted, as in the case of the army and navy accountant, *Sir W. Dunbar* 1626-1628——Witness has not much faith in the practice of a certificate, as suggested by the head of the department, *Foster* 1629-1631——Efficiency of the present checks upon the expenditure of the department, *Sir W. Dunbar* 1631——Witness has the greatest confidence in certificates, *Anderson* 1631.

Letter from the Treasury to the Exchequer and Audit Department, dated 3rd March 1868, transmitting form of account to be rendered by the department, *App.* (*First Rep.*) 119.

Communication from the Treasury, dated 25th March 1870, directing that the Appropriation Account in the case of the Exchequer and Audit Department shall be prepared and rendered by the Treasury, *App.* (*First Rep.*) 119.

Letter from the Assistant Comptroller and Auditor, dated 12th April 1870, in reply to the foregoing communication; exception taken to certain passages in the latter, *App.* (*First Rep.*) 120.

Letters from the Secretary to the Treasury, dated 5th May 1870, further directing that the accounts of the department be prepared and rendered to the Comptroller and Auditor General by the Treasury, *App.* (*First Rep.*) 120, 121.

Dissent by the Committee from the decision of the Treasury, that in future the account of the Exchequer and Audit Department shall be rendered by the Treasury, *First Rep.* vi.—— Approval of the suggestion that some independent person should be employed to aid in auditing the account of the vote of the department, *ib.*

2. *As*

Reports, 1870—*continued.*

EXCHEQUER AND AUDIT DEPARTMENT—continued.

2. *As to the Department reporting to the Treasury or directly to Parliament.*

Approval of the report of the Comptroller and Auditor General going direct to Parliament, a copy being furnished to the Treasury, *Anderson* 1775——Practice of the Audit Department as to reporting to the Treasury, and not to Parliament in certain cases of non-compliance with the Treasury regulations, *Ryan* 1803–1805.

Grounds for objecting to the proposals that the report of the Comptroller and Auditor General should not go through the Treasury to Parliament, *Foster* 1776–1786. 1790. 1795–1798. 1805–1807.

Statement as to its being the invariable rule of witness's department to report to the Treasury whenever the Treasury regulations are departed from by the accountants, *Sir W. Dunbar* 1781. 1787–1790. 1799–1801. 1807——Report by witness to the House in the event of the Treasury not sanctioning any expenditure reported upon by witness to the Treasury as irregular, *ib.* 1781. 1787, 1788. 1802, 1803. 1807.

Expediency of the Comptroller and Auditor General reporting to the Treasury in all cases of non-compliance with their regulations; instances of the Treasury not being informed as to such non-compliance until they have had the Appropriation Account for presentation to Parliament, *Foster* 1785, 1786. 1790. 1795–1797. 1805–1807.

Opinion of the Committee that the Comptroller and Auditor General would have a higher and more independent position if his reports were presented by him directly to the House, instead of through the medium of the Treasury, *First Rep.* vi.

See also *Army Accounts and Estimates. Colonial Accounts and Estimates. Cost of Audit. Extra Receipts. Gladstone, Right Honourable Mr. London University. Navy Accounts. Secret Service Money. Sub-heads (Accounts and Votes).*

Extra Receipts. Statement as to the Inland Revenue Extra Receipts not having been paid over to the Exchequer for the month of March, or the last month of the financial year, *Foster* 649–653——Great difficulty of laying down an invariable rule with regard to extra receipts; suggestions on the subject, *ib.* 1580. 1583–1595——Opinion in favour of the Customs and Excise, as well as all the departments paying all their extra receipts into the Exchequer, and of the total expenditure for each department being voted, *ib.* 1580. 1583–1595.

Concurrence in the view of the Audit Office that the Customs Extra Receipts should be paid in as such in aid of the Vote, and not as revenue, *Dick* 1581–1583.

Further reference to the mode of dealing with extra receipts, or of repayments from one department to another, *Foster* 1614–1616. 1618–1623——Decision of the Treasury in conformity with the views of the Audit Office on the questions arising out of extra receipts *ib.* 1662, 1663.

Necessity of discrepancy in the case of the Inland Revenue by reason of the extra receipts for March not being paid over till April, *First Rep.* iv.——Concurrence of the Committee on the suggestion that the mode of recording extra receipts in the accounts of the three Revenue Departments should be uniform, *ib.* v.

See also *Colonial Accounts and Estimates. Office of Works, &c.*

F.

Fees on Assessment of Arms, &c. (Canada). Concurrence of the Treasury in the view of the Comptroller and Auditor General in favour of transferring to the Civil Contingencies Fund a payment for fees on assignment of arms, &c. for Canada, *Foster* 522–524.

Fines on Pensioners. Explanation on the subject of excess of fines levied upon pensioners, and the mode of dealing with such fines by the War Office, *Foster* 1664–1668.

Fisheries (Ireland). Statement as to the proper mode of charging certain expenditure in respect of the inspectors of Irish fisheries, *Foster* 562, 563. 566——The inspectors are now under the Irish Office, but used to be under the Home Office, *Pennefather* 564, 565.

Foreign Minister. Obligation upon foreign Ministers to surrender any balance they may have within a year after their return to England; very small amount of such balances, *Right Hon. E. Hammond* 807–810. 872, 873.

Foreign Office. See *Secret Service Money.*

Form of Account (Expenditure and Grant). Exception taken to the proposed adoption of the words "net balance to be surrendered," or "net balance to be voted," *Foster* 13–18——Approval on the whole of the terms "less than voted," and "more than voted," in lieu of the terms "savings and deficiencies, *ib.* 14–16. 18.

Reports, 1870—*continued.*

Form of Account (*Expenditure and Grant*)—continued.

Several terms which might be substituted for the words "savings" and "deficiencies"; approval of the terms "less than voted" and "more than voted," *Anderson* 22–25——Approval also of the adoption of the words "net sum to be surrendered" or "to be voted," *ib.* 26–30.

Obstacle to separating the expenditure, as compared with the grant, under the heads "postponed," "saving," and "deficiency," *Foster* 31, 32——Approval of the words "surplus" and "deficit" being substituted for "saving" and "excess," at the foot of the form of account, *ib.* 39, 40.

Suggestions as to the form of the Army and Navy Accounts corresponding to the amended form laid down for the Civil Service Accounts, *Foster* 1809–1815.

Approval of amending the form of the Navy and Army Accounts according to the proposed form of the Civil Service Account, *Beeby* 1814.1815——Advantage of a certain form of account suggested for the Civil Service Grant, *Anderson* 1815–1817.

Conclusion of the Committee that the terms "savings" and "deficiencies" are liable to be misunderstood, *First Rep.* iii——Amended form of account recommended for adoption, *ib.* iii. vii.

Recommended application to the Army and Navy Appropriation Accounts of the same form as has been recommended for the Civil Service, *Second Rep.* v.

Foster, Morgan Hugh, C. B. (Analysis of his Evidence.)—Uncertainty concerning a small quantity of stores which prevented a separate record of the expenditure in respect of the Votes for Consular Buildings, China, and Consular Buildings, Japan, 1. 3. 4. 6–8.

Great difficulty of such a separation, by the Treasury, of the accounts as would show whether a "saving" was owing to the work not having been performed, or to its having been performed more cheaply than was anticipated, 9, 10——Admission that the terms "savings" and "deficiencies" do not exactly convey the fact, a real saving not being necessarily effected because the expenditure within the year is less than the sum voted, 11–17——Exception taken to the proposed adoption of the words "net balance to be surrendered" or "net balance to be voted," 13–18—— Approval, on the whole, of the terms "less than voted" and "more than voted," in lieu of the terms "savings" and "deficiencies," 14–16. 18.

Obstacle to separating the expenditure, as compared with the grant, under the heads "postponed," "saving," and "deficiency," 31, 32——Approval of the words "surplus" and "deficit" being substituted for "saving" and "excess," at the foot of the form of account, 39, 40——Explanation as to the order of the votes in the account not strictly following the order in the Estimates; arrangement desirable in future on this point, 41–50.

Reference to the vote for the Tehran Mission House as being now combined with another vote; explanation as to this vote coming between two English votes, 42. 47—— Further statement as to the Treasury having had no knowledge whether a certain item should be charged to the China or the Japan consulates, 51–57——Explanation as to certain expenditure in respect of the Tehran Mission having been charged to Civil Contingencies; exceptional circumstances under which this was done by the Treasury, 63, 64. 68–70. 73–77. 79–88.

Statement showing that there was nothing irregular in the sanction by the Treasury of certain expenditure out of the Vote for Lighthouses Abroad, on Works at Sombrero and Castle Island, and at Dellamara, 91–104.

Wrong principle pursued by the Office of Works as regards the postponement of a payment in respect of police in the Parks in 1867–68; 118, 119. 123–125——Explanation of the rule and practice in regard to excess of expenditure on any vote being advanced out of the Civil Contingencies Fund, an excess vote being subsequently taken in order to repay such advance, 124–154. 158–168——Statement as to an excess of vote, if charged directly upon the Civil Contingencies Fund, not appearing in the Appropriation Account as an excess of expenditure, 136–140.

Opinion that it would be better if the Treasury had authority directly to sanction an excess of expenditure in the case of the Civil Service Votes, with a view to its being shown in the Appropriation Accounts; practice as to the Army and Navy Votes adverted to hereon, 137–154. 158–168. 196–206——Similar responsibility of the department whether an excess is met out of Civil Contingencies or is sanctioned directly by the Treasury, 182——Possible difficulty in the event of the Treasury not being able to meet excess of expenditure out of Civil Contingencies, 183.

Numerous instances of excess in which a supplementary vote cannot be taken in time, it being important that the Treasury should have power to act in such cases, 196, 197 ——Suggestions as to the limit up to which the Treasury might be authorised to sanction excess of expenditure on any vote, so as to obviate advances from and repayments to Civil Contingencies, 198–207.

Reports, 1870—*continued.*

Foster, Morgan Hugh, C. B. (Analysis of his Evidence)—*continued.*

Great advantage if the Civil Service Excess Votes were not taken till June or July, so as to enable the Select Committee of the House to investigate the accounts and excesses before the money is voted, 208-211——Explanation as to certain expenditure incurred by Mr. Pulman on Treasury business having been charged as a payment out of the Treasury Vote for 1869-70; 212-216——Necessity of application to the Treasury in the matter of expenditure on the Court-house at Inverness which was not directly voted, 236.

Consideration of the present system by which the estimates for rates on Government property contain no contributions except for the Army and Navy; amended arrangement suggested, 264-279.

Explanatory statement relative to an item of 3,000 *l.*, struck out, in error, from the Inland Revenue Estimates, on account of buildings, a similar item having happened to be in the Office of Works Estimates; sanction by the Treasury of the re-insertion of the amount, 296-320——Facility of preventing confusion in future by specifying in the Office of Works Vote the localities in which it superintends the expenditure on buildings, 321-327——Doubt as to there having been any Treasury letter on the subject of the Inland Revenue buildings being placed in the Office of Works Vote, 328, 329. 334. 433.

Examination to the effect that the same work or the same furniture could not be charged both to the Office of Works and the Inland Revenue Department without detection, but that it would be more satisfactory to confine the work in each locality to one department or the other, 343-367. 370, 371. 388. 401, 402. 405, 406. 432.

Question considered as to the Appropriation Act allowing the expenditure of 3,000 *l.* sanctioned by the Treasury out of the Inland Revenue Vote, 409. 411-414.

Statement of the practice of the Office of Works as to paying extra receipts into the Exchequer; intention to pay over quarterly in future, 463-465.

Incorrect proceeding if the War Office had paid over to the Home Office an item of 40 *l.* not expended by the former in respect of the pay of the Inspector of Military Prisons, 478, 479. 484.

Copy of Treasury Minute, dated 22nd November 1867, relative to the administration of the expenditure on repairs and maintenance of Inland Revenue buildings; amended regulations contemplated with a view to the matter resting entirely, instead of partially, with the Office of Works, 485-493. 496-498——Facility in any case of determining upon which department should devolve the duty of accounting for the charge in respect of buildings, 494.

Question considered as to the expediency of a supplementary estimate in order to meet the appointment of a Third Lord of the Treasury at an increased salary, and the pay of two additional supplementary clerks, 499-512.

Consideration of the conclusion arrived at by the Comptroller and Auditor General, that the Curragh of Kildale salaries should have been charged to Civil Contingencies; amended arrangement contemplated, 553. 555, 556. 560, 561.

Exception taken to the present arrangement, by which the account of the Exchequer and Audit Department is rendered for audit by the Secretary of the Department, 569-576. 631—— Statement in favour of the Treasury conducting the expenditure and rendering the account of the Exchequer and Audit Department; belief that this would not lead to the impression that the department was under the control of the Treasury, 577-594——Control by the Treasury of all original appointments in the department, the promotions being made by the Comptroller and Auditor General; and the salaries being all fixed, 588-594. 615, 616.

Doubt as to the expediency of appointing an independent officer to audit the account of the Exchequer and Audit Department, 620, 621.

Probable cause of a material reduction in the charge of travelling expenses of Poor Law Inspectors, 637-640——Explanation as to the expenses being recovered in the case of the Inclosure and Drainage Vote, and as to certain charges being overestimated, 641-644.

Statement as to the Inland Revenue extra receipts not having been paid over to the Exchequer for the month of March, or the last month of the financial year, 649-653 —— Explanations in detail relative to sundry other accounts and votes, 655 *et seq.*

Practice generally for the Treasury to avoid sanctioning increases of salaries during the currency of the financial year; authority to depart from this rule, 661-671.

Improvement if certain charges for convicts were estimated and accounted for by the Admiralty, 722, 723. 725, 726. 729. 733.

Statement as to the Treasury having called upon the Accountant General of the Court of Chancery, Ireland, for certain explanations about the accounts, which are in a most unsatisfactory state; independent position assumed by this officer, 742-750——Necessity of sanction by the Treasury before the saving on one sub-head of a vote can be applied

Reports, 1870—*continued.*

Foster, Morgan Hugh, C. B. (Analysis of his Evidence)—*continued.*

to the deficiency on another, 751-754——Explanation relative to sundry other accounts and votes with reference to statements thereon in the report of the Comptroller and Auditor General, 755, 756. 758, 759. 761-776.

Conclusion that an issue of secret service money to a Secretary of State is an imprest or advance, the Treasury being the accounting department, 950-953—— Explanation as to the distribution by the Treasury, to the several departments, of the Vote for Foreign Secret Service Money, 961-971.

Doubt as to the Government having yet taken into consideration the mode of dealing with the expenditure of the Office of Woods, &c., 979-981.

Statement in favour of the Accountants General of the Courts of Chancery in England and Ireland being Treasury Officers, 1063-1075.

Explanation as to the appointment and action of Mr. Vine and witness as a Commission of Public Accounts, 1092-1095.

Reference to the apparently large saving in the British Museum Vote for printing catalogues, &c., 1173, 1174.

Explanation by the National Education Department of Ireland as to an excess of 15,863 *l.*; 1178-1180——Supply of a complete form of accounts to this Department, the office having complied with such form, though it has not taken sufficient care about the division of the sub-heads, 1182, 1183. 1239——Province of the Treasury to design the form of account in which the payment of each vote shall be shown; dissent from certain views expressed by Sir William Dunbar on this point in reference to the sub-division of the National Education Accounts and Estimates, 1197. 1208-1215. 1218, 1219. 1222-1224. 1231-1239. 1242-1244.

Grounds for dissenting from the views of the Comptroller and Auditor General in disapproval of certain election expenses of London University being charged against the Vote; objection to the amount being charged to civil contingencies, 1275-1279. 1285-1288.

Explanation of the principle upon which the tonnage bounty upon slavers is based; precautions against abuse in respect of payments under this head, 1290-1293—— Information as to the mode of dealing with payments in respect of presents to Niger chiefs; objection to this item being placed under incidental expenses, 1294-1297. 1303, 1304.

Particulars in connection with the charge in the Consular Vote of the military pay, and the consular pay of Colonel Mansfield, consul at Warsaw; conclusion of the Treasury that the military pay should be charged against military funds, 1305, 1306. 1310, 1311. 1313-1325.

Excess of expenditure under the sub-head "Incidental Expenses," of the Consular Vote, adverted to and explained, 1326-1329——Explanatory statement on the subject of certain expenditure incurred by Consul Macleod in defending the Consulate at Lukoja against the attacks of Niger chiefs; circumstances under which the Foreign Office felt constrained to pay these expenses, 1329. 1332-1336. 1343-1351. 1357-1361. 1363, 1364——Abolition of this consulate so as to avoid a similar expenditure in future, 1356. 1358.

Explanatory statement on the subject of a deficiency of 2,769 *l.* in respect of Legation Guards in China and Japan, 1369-1372. 1374-1376.——Information relative to the contribution from Indian revenues of a sum equal to one-third of the charge for diplomatic and consular services in China, 1379-1384——Explanation as to the practice of the Treasury in remitting specie for the Treasury chests, and in charging the cost of freight, 1395, 1396. 1399, 1400.

Dissent from a suggestion by the Comptroller and Auditor General relative to the mode of account in the case of certain pensions payable at foreign Courts by officers abroad, 1401——Approval of the practice of sometimes introducing a sub-head not included in the original vote, 1402-1405——Unavoidable irregularity at times as regards the payment of the salaries of Colonial Governors within the year, 1406, 1407.

Argument that the Comptroller and Auditor General was not justified in reporting that an expenditure of 431 *l.* 7 *s.* 10 *d.*, in respect of damages caused by a hurricane in the Virgin Islands, was not properly chargeable to the vote, 1409. 1412, 1413. 1505-1507——Duty of the Comptroller and Auditor General to ascertain the intention of Parliament as to the appropriation of the money voted, it being, however, very inexpedient for him to go into the details of the sub-heads, 1501-1504. 1509, 1510——Dissent from the statement of the Comptroller and Auditor General, that there was a special appropriation of the salary of the Governor of Bermuda, 1508——Reference to certain variations between the headings in the appropriation account of the Colonial Office and the vote; assimilation desirable, 1521, 1522.

Explanation as to an irregularity in the payment of 26 *l.* 13 *s.* 4 *d.* as pension to Mr. Neal, Consul at the Piræus, for which no receipt was procured, 1572. 1574, 1575——Opinion

Reports, 1870—*continued.*

Foster, Morgan Hugh, C. B. (Analysis of his Evidence.)—continued.

——Opinion in favour of the Customs and Excise, as well as all the departments, paying all their extra receipts into the Exchequer, and of the total expenditure for each department being voted, 1580. 1583-1595——Impracticability of attempting to show the real cost of the collection of customs duties in the estimate, 1596-1598.

Statement to the effect that the Treasury have decided to carry out the recommendation of the Committee of 1869 in regard to the mode of dealing with the Post Office void money orders; objections by the Postmaster General to any alteration, 1608-1612—— Further reference to the mode of dealing with extra receipts, or of repayments from one department to another, 1614-1616. 1618-1623.

Unsatisfactory explanation received by the Treasury in respect of the Vote for Dundrum Criminal Lunatic Asylum, Ireland; expectation of a more satisfactory account in future, 1624, 1625.

With regard to the account of the Exchequer and Audit Department, and the question of an independent audit, witness has not much faith in the practice of a certificate, as suggested by the head of the department, 1629-1631.

Reference to the Act for a re-organisation of the reserve forces as having necessitated an alteration in the mode of charge under different heads in the Army Account, 1655-1660—— Decision of the Treasury in conformity with the views of the Audit Office on the questions arising out of extra receipts, 1662, 1663.

Explanation on the subject of excess of fines levied upon pensioners, and the mode of dealing with such fines by the War Office, 1664-1668——Statement as to the practice in the Army Account of dealing with liabilities arising from the transactions of previous years, and as to the modes in which any consequent deficiency in the Vote for the year may be met, 1669-1674.

Grounds for objecting to the proposal that the Report of the Comptroller and Auditor General should not go through the Treasury to Parliament, 1776-1786. 1790. 1795-1798. 1805-1807——Expediency of the Comptroller and Auditor General reporting to the Treasury in all cases of non-compliance with their regulations; instances of the Treasury not being informed as to such non-compliance until they have had the Appropriation Account for presentation to Parliament, 1785, 1786. 1790. 1795-1797. 1805-1807.

Great variety of Acts by which the powers of the Treasury over the Departments are regulated, 1791-1794——Suggestions as to the form of the Army and Navy Accounts corresponding to the amended form laid down for the Civil Service Accounts, 1809-1815.

Statement on the subject of the recovery of overpayments to Maynooth College, in respect of the Consolidated Fund Account, 1904-1906——Explanation as to some payments out of the Consolidated Fund for compensation to officers of the Court of Exchequer in Ireland, 1907. 1909, 1910. 1912-1917.

Intention of the Treasury to dispense with the detailed audit applied to the Bank of England Dividend Accounts, 1918, 1919——Opinion favourable to the whole of the charges of the Office of Woods, &c., coming upon the Votes, 1921. 1927, 1928—— Object of the large balance kept in hand by the Commissioners of Woods, &c., 1942.

Explanations on the subject of the excess of the Civil Contingencies Fund of 120,000 *l.*; suggestion hereon that the excesses upon Votes be not met from the Civil Contingencies, but that the Votes be allowed to be overdrawn, 2057-2081. 2088, 2089 ——Obstacle to ascertaining beforehand whether the Vote for "Police, counties and boroughs" shall be overdrawn, so as to take a Supplementary Vote, 2083-2087.

G.

Gladstone, Right Hon. W. E. Views of Mr. Gladstone as to the great importance of witness's office, and the necessity of its entire independence, *Sir W. Dunbar* 565.

Gore, the Hon. Charles A. (Analysis of his Evidence.) Submits explanations relative to the large balance (72,318 *l.*) in the hands of the Commissioners of Woods, &c., on the 1st April 1868; sufficiency of a balance of about 40,000 *l.*, 1947-1960. 1969-1989. 2010-2013——Increasing sum paid over to the Exchequer as surplus income, 1954-1956. 2032, 2033——Reasons for the small net receipts from the Royal Forests, as well as for the large excess of expenditure in respect of Windsor Parks and Woods, 1961-1968—— Clear distinction between the management vested in the Office of Woods and in the Office of Works in regard to Windsor, &c., 1990-1995.

Practice as to the receipt of rents by the Office of Woods, and as to the payment of the receivers and stewards of manors chiefly by commission, 1996-2004——Payment of the establishment charges out of the Vote; objection to all the expenses being charged upon the Vote, 2005-2022——Economy and efficiency of the management of the Crown estates,

Reports, 1870—*continued.*

Gore, The Hon. Charles A. (Analysis of his Evidence)—*continued.*

estates, 2023–2031——Objection to writing off altogether an item of 35,919 *l.*, which appears in the accounts as irrecoverable, 2034, 2035.

Greenwich Hospital and School. Causes of the excess of estimate in the case of Greenwich Hospital and School, *Beeby* 1874, 1875. 1878, 1879——Greater number of men borne on the books of the Hospital than was estimated for, *Beeby* 1874, 1875; *Loveless* 1876, 1877.

Steps being taken with a view to the cost of audit falling on the funds of the Hospital, *Sir W. Dunbar* 1880–1882; *Foster* 1883. 1900, 1901——Probable cost of auditing the Greenwich Hospital Capital Account, which is audited under a special Act, *Ryan* 1884–1889——Remarks relative to the cost of audit in the matter of the Greenwich Hospital Capital and Income Account, *Beeby* 1901, 1902.

Approval by the Committee of the suggestion that the cost of auditing the Greenwich Hospital accounts should be borne upon the funds of the Hospital, *Second Rep. iv.*

Griffiths, Vincent. (Analysis of his Evidence.)—As inspector of rates at the Treasury, explains an excess of expenditure to the extent of 3,802 *l.* on Vote 22, as arising chiefly from the conversion of a large number of payments of rates into contributions by way of bounty; advantages of this arrangement, which leads to a practical saving upon the rates, 237–263. 280–282. 286, 287——Explanation as to an unexpended balance of the Vote "Rates for Government Property" for the year 1867-68 not having been surrendered to the Exchequer till March 1870; 283–285.

H.

Hammond, The Right Honourable Edmund. (Analysis of his Evidence.)—Explanation as regards the Secret Service money expended by the Foreign Office, that legal opinion has been taken, and that the Civil List Act, 22 Geo. 3, c. 82, is still operative, and has not been overruled by the Exchequer and Audit Act, 777–785. 819–827. 829–833. 880–893——Summary of the conclusions arrived at by the Law Officers of the Crown; information as to the case submitted for their opinion, 777-779. 829–833. 885–889.

Suggestion by the Law Officers, that the receipt given by the Secretary of State for for the lump sum issued should be remitted to the Audit Office, and should be accepted as a discharge to the Treasury; concurrence in this view, 777–784. 787——Conclusion that the issue to the Secretary of State is a payment, and not an imprest or advance, 784–785——Circumstance of the Foreign Office not being obliged to render an account of the Secret Service money until three years after its issue, there being, moreover, no power of surrendering the balances, 789–799. 806, 807. 811. 894-898.

Regulation of the applications so as to have about half a year's expenditure in hand; expediency of this arrangement, 794–805. 857–860——Obligation upon foreign ministers to surrender any balance they may have within a year after their return to England; very small amount of such balances, 807–810. 872, 873——Periodical account rendered to the Audit Office under the Civil List Act, showing in lump sums the moneys received and expended, 811–820. 900.

Considerable inconvenience if it were necessary to close every year the Secretary of State's account of Secret Service disbursements, and to surrender the balance, 834, 835. 861–870. 898. 899——Statement as to the Secret Service money not having being voted by Parliament when the Civil List Act was passed, 836——Argument that the question lies between the Treasury and Audit Office, rather than between the Foreign Office and the latter, 837–850.

Similar procedure now adopted by the Foreign Office as for many years past, 851–856——Practice of the foreign ministers abroad as to drawing upon the Secretary of State for the sum required for secret service, their receipt being a discharge to the Secretary of State, 871, 872——Doubt as to any sums being now charged for foreign secret service upon the Civil List Revenues, 873-884. 890–892.

Further objection to the Foreign Office being required to account to the Treasury, as contended by the Audit Office, 900, 901——Conclusion as to the sufficiency of the audit hitherto practised, 901——Inexpediency of separating the Secret Service Vote into specific sums, for the different departments, 902.

Harwich Harbour. Concurrence of the Treasury in the proposal to transfer from the Board of Trade Vote to the Civil Contingencies Fund a sum for expenses in connection with the works of Harwich Harbour, *Foster* 547.

Hawker, Francis Alfred. (Analysis of his Evidence.)—Instances of expenditure on the same building out of the Inland Revenue Vote and the Office of Works Vote, 338–342——Way in which it might happen that bills for the same furniture, &c., might be paid both by the Inland Revenue Department and the Office of Works, 372–378. 389–400. 405.

Reports, 1870—*continued.*

Home Office. Explanation as to the insufficiency of certain estimates prepared by the Home Office, the Treasury having control of the expenditure; new arrangement now in force, *Pennefather* 513-521.

I.

Improvement of Defences at Quebec. Explanation that an excess of expenditure in the case of this vote is not an excess upon the work, *Knox* 1706, 1707.

Inclosure and Drainage Vote. Explanation as to the expenses being recovered in the case of the Inclosure and Drainage Vote, and as to certain charges being over estimated, *Foster* 641-644.

Income Tax Collection. Explanation on the subject of an excess of expenditure on account of extra remuneration to the clerks to the Commissioners of Income Tax for additional labour, resulting from the imposition of an additional income tax of 1 *d.* in the pound, *Gripper* 1600-1604.

Inland Revenue (Buildings, &c.) Explanatory statement relative to an item of 3,000 *l.*, struck out in error from the Inland Revenue Estimates on account of buildings, a similar item having happened to be in the Office of Works Estimates; sanction by the Treasury of the re-insertion of the amount, *Foster* 296-320——Doubt as to there having been any Treasury Letter on the subject of the Inland Revenue buildings being placed on the Office of Works Vote, *ib.* 328, 329. 334. 433.

Instances of expenditure on the same building out of the Inland Revenue Vote and the Office of Works Vote, *Hawker* 338-342——Way in which it might happen that bills for the same furniture, &c., might be paid both by the Inland Revenue Department and the Office of Works, *ib.* 372-378. 389-400. 405.

Examination to the effect that the same work or the same furniture could not be charged both to the Office of Works and the Inland Revenue Department, without detection, but that it would be more satisfactory to confine the work in each locality to one department or the other, *Foster* 343-367. 370, 371. 388. 401, 402. 405, 406. 432—— Explanation as to the check upon fraud or double payment, in the case of furniture or of work, paid for out of the Vote of the Office of Works, *ib.* 368, 369. 379-387.

Explanation, as regards a certain expenditure on buildings by the Inland Revenue Board, that witness was given to understand, both by this department and by the Treasury, that the latter have sanctioned a transfer of the item in question from the Inland Revenue Vote to the Office of Works Vote; hence the remarks on the subject in his report, *Sir W. Dunbar* 407, 408. 418-431.

Question considered as to the Appropriation Act allowing the expenditure of 3,000 *l.*, sanctioned by the Treasury, out of the Inland Revenue Vote, *Foster* 409. 411-414—— Conclusion as to the Appropriation Act covering expenditure which the Treasury sanctioned out of the Inland Revenue Vote by putting in an additional sub-head, *Sir W. Dunbar* 410, 411. 417-431.

Copy of Treasury Minute, dated 22nd November 1867, relative to the administration of the expenditure on repairs and maintenance of Inland Revenue buildings; amended regulations contemplated with a view to the matter resting entirely, instead of partially, with the Office of Works, *Foster* 485-493. 496-498——Facility in any case of determining upon which department should devolve the duty of accounting for the charge in respect of buildings, *ib.* 494.

Views of the Committee as to the practice desirable in regard to administering and accounting for structural expenditure, *First Rep.* iv. vi.——Conclusion that a certain sum of 5,803 *l.* 14 *s.* 5 *d.* must be left as a charge upon the Inland Revenue Vote, *ib.* iv.

See also *Extra Receipts.*

Inspector of Military Prisons. Explanation, on the part of the War Department, relative to an item or saving of 40 *l.* in respect of the pay of the Inspector of Military Prisons; conclusion as to the War Office handing over this sum to the Home Office, if the latter had applied for it, as undertaking the duty, *Whiffin* 469-474. 476, 477. 480-483.

Incorrect proceeding if the War Office had paid over to the Home Office an item of 40 *l.* not expended by the former in respect of the pay of the Inspector of Military Prisons, *Foster* 478, 479. 484.

Inverness Court-House. Necessity of application to the Treasury in the matter of expenditure on the court-house at Inverness, which was not directly voted, *Foster* 236—— Opinion that there was nothing irregular in the sanction of the Treasury of an expenditure on the Inverness court-house, though not directly voted, *Anderson* 232, 233—— Statement in explanation of certain expenditure in respect of court-houses in Scotland; obstacle to any estimate in the case of an item of 919 *l.* expended on Inverness court-house, *Russell* 234, 255.

Reports, 1870—*continued.*

Inverness Court-House—continued.

Statement by the Committee as to the expenditure in this case being covered by the terms of the Appropriation Act; suggested explanation in future, *First Rep.* iv.

Irish Railways Commission. Explanation of a large excess in respect of the inquiry into Irish railways, *Foster* 1578, 1579.

L.

Legation Guards (China and Japan). Belief that the Legation Guards in China and Japan consist of a distinct police force sent out from England, *Blackwood* 1365-1368——Explanatory statement on the subject of a deficiency of 2,769*l.* in respect of Legation Guards in China and Japan, *Foster* 1369-1372. 1374-1376——Circumstance of the Audit Office not having called for any explanation of an excess of 2,769*l.* on account of Legation Guards in China and Japan, *Sir W. Dunbar* 1373. 1377, 1378.

Lewes, John Sayer. (Analysis of his Evidence.)—Explanation of the practice of the Colonial Office in dealing with certain extra receipts; regulation that in future all extra receipts shall be paid over to the Exchequer quarterly, 525-535. 537-546.

Statement explanatory of the cause of an excess of estimate in respect of convicts at Gibraltar, 983-986——Explanation also as to certain expenditure at Bermuda, the mode of charging which by the Colonial Office has been objected to, 987-989——Also as to a certain excess of the Estimates in the case of Western Australia and Tasmania, 992.

Difficulty of accurate estimate as regards passages of governors and other Colonial officers, 1408.

Statement to the effect that the Colonial Office have been desirous of meeting the views of the Audit Office as regards vouchers for certain Colonial expenditure, and had no reason to suspect that a sum of 431*l.* 7*s.* 10*d.* expended in the Virgin Islands would be disallowed, 1415-1427.

Belief as to its being the result of accident that the headings in the Appropriation Account rendered by the Colonial Office differ from the headings in the Estimate, 1523-1526.

Lighthouses. Statement showing that there was nothing irregular in the sanction by the Treasury of certain expenditure out of the Vote for Lighthouses Abroad on works at Sombrero and Castle Island, and at Dellamara, *Foster* 91-104.

London University. Evidence in detail in support of the conclusion arrived at by the Treasury, that certain election expenses in the case of London University were properly chargeable against the University Vote, *Right Honourable J. Stansfeld,* 1249-1261. 1266-1274. 1278.

Agreement as to the propriety of the course pursued by witness in reporting that certain costs incurred by the Vice Chancellor of London University as returning officer were not properly chargeable to the Parliamentary Grant, *Sir W. Dunbar* 1262-1265. 1280-1284. 1288——Expediency rather of the payment being charged temporarily to Civil Contingencies, *ib.* 1280.

Grounds for dissenting from the views of the Comptroller and Auditor General in disapproval of certain election expenses of London University being charged against the Vote; objection to the amount being charged to Civil Contingencies, *Foster* 1275-1279. 1285-1288.

Conclusion of the Committee as to the propriety of the report made by the Audit Department, *First Rep.* v.

Lukoja Consulate. See *Niger Chiefs, &c.*

M.

Maynooth College. Statement on the subject of the recovery of overpayments to Maynooth College in respect of the Consolidated Fund Account, *Foster* 1904-1909.

Money Orders. See *Post Office.*

N.

National Education Office (Ireland). Excess of 15,863*l.* in the case of the Vote for the National Education Office, Dublin, adverted to, *Cocks* 1178——Explanation by the National Education Department in reference to this excess, *Foster* 1178-1180.

Reports, 1870—*continued.*

National Education Office (*Ireland*)—continued.

Reference to a letter from the National Education Office, Dublin, dated 3rd March 1870, submitting sundry objections to alteration of the present system of rendering the accounts of the office in relation to the Estimate, *Ryan* 1181–1184——Supply of a complete form of accounts to this department, the office having complied with such form though it has not taken sufficient care about the division of the sub-heads, *Foster* 1182, 1183. 1239.

Statement on the question of a further sub-division of the accounts; deficient check of the Audit Department under the present practice, *Ryan* 1185, 1186. 1204. 1220. 1221. 1225——Evidence in support of the conclusion that a greater sub-division is required of the Estimate and the accounts of Department, *Sir W. Dunbar* 1186–1191, 1197–1200. 1205–1207. 1215–1217. 1226–1230. 1240, 1241. 1245, 1246——Exception taken to the conclusions of the Comptroller and Auditor General upon the subject of a more numerous sub-division in the case of the Estimate and accounts of the National Education Office, *Vine* 1194–1196. 1201–1204.

Province of the Treasury to design the form of account with which the payment of each vote shall be shown; dissent from certain views expressed by Sir William Dunbar on this point in reference to the sub-division of the National Education Accounts and Estimates, *Foster* 1197. 1208–1215. 1218, 1219. 1222–1224. 1231–1239. 1242–1244.

Letter from the Secretaries of the National Education Office, dated 2nd June 1870, explaining the causes of a certain excess on one of the sub-heads of the vote, *App.* (1st *Rep.*) 125.

Advantage if the Treasury were to require that more principal sub-heads should be shown upon the Estimate, *First Rep.* v.

National Portrait Exhibition. Evidence relative to the mode of account of the Science and Art Department as regards expenditure for the National Portrait Exhibition, with reference more especially to the mode of dealing with the fees received, *Cole* 1144. 1146. 1150–1154; *Simkins* 1145. 1148, 1149. 1153. 1155–1160; *Sir W. Dunbar* 1146–1148. 1150. 1153; *Ryan* 1161, 1162.

Navy Accounts. Desire of the Admiralty for an extension of time for preparing the appropriation account of Navy Services, *Edwards* 441—— Delay in sending in the whole of the Admiralty accounts; witness has, however, reported upon them, *Sir W. Dunbar* 451, 452——Explanation of the causes of delay in the delivery of the appropriation account of navy grants, *Beeby* 1708, 1709. 1712, 1713.

Statement in support of a proposal that the appropriation account and the savings and deficiencies account should be treated as one account, and be rendered at the same time, or on the 31st December, *Beeby* 1714–1720. 1722, 1723. 1742–1744. 1768–1773—— Suggestion as to the time in which witness's report upon the Navy accounts might be ready for the House if the accounts were rendered to him on the 31st December, and if the report did not go through the Treasury, *Sir W. Dunbar* 1721. 1745–1748. 1752—— Consideration of the proposal for rendering only one Navy account; arrangement desirable in such case so that the account might be presented to the House by the end of January or the beginning of February, *Anderson* 1724–1741. 1749–1760——Approval of the proposal for rendering the Navy appropriation account and the statement of savings and deficiencies as one account, *Sir W. Dunbar* 1745. 1774.

Explanations relative to certain passages in the Comptroller and Auditor General's report upon irregularities or excesses under different sub-heads of the Navy Vote, *Beeby* 1820–1831——Authority for the transfer of a surplus to cover a deficiency upon a certain sub-head of the Navy Vote, *Anderson* 1832, 1833—— Statement as to certain apparent savings on sub-heads of the Navy Vote being really postponements of expenditure, *Beeby* 1834–1837. 1865–1873.

Information on the subject of some caissons charged against Haulbowline Dockyard, though used for a time in Bermuda, *Beeby* 1838–1846——Practice of including in the Navy Vote the expense of all Admiralty buildings, *ib.* 1847–1849.

Explanation that the audit of the Navy account by the Exchequer and Audit Department is merely an audit of classification, *Sir W. Dunbar* 1861; *Beeby* 1862–1864.

Deficiency of 2,912,094*l.* 6*s.* 10*d.* upon the Navy grants for 1868-69, which has been met out of the votes of credit for the Abyssinian war, *Second Rep.* iv——Suggestion for amalgamating into one account the statement of savings and deficiencies, and the appropriation account, *ib.*——Advantage of the account being rendered by the 31st December in each year, *ib.*

See also *Convict Service.*

Niger Chiefs (*Lukoja Consulate*). Information as to the mode of dealing with payments in respect of presents to Niger chiefs; objection to this item being placed under incidental expenses, *Foster* 1294–1297. 1303, 1304——Question considered as to the mode

Reports, 1870—*continued.*

Niger Chiefs (*Lukoja Consulate*)—continued.

of dealing with a charge for "Presents to Niger Chiefs," there having been no sub-head to include this expenditure, *Sir W. Dunbar* 1298–1302.

Explanatory statement on the subject of certain expenditure incurred by Consul Macleod in defending the Consulate at Lukoja against the attacks of Niger chiefs; circumstances under which the Foreign Office felt constrained to pay these expenses, *Foster* 1329. 1332–1336. 1343–1351. 1357–1361. 1363, 1364—— Grounds upon which the Audit Department objected to certain excess of expenditure, as sanctioned by the Foreign Office, which was incurred by Colonel Macleod in the Niger districts, *Ryan* 1330–1332. 1337–1342. 1352–1355——Abolition of this consulate, so as to avoid a similar expenditure in future, *Foster* 1356. 1358.

Opinion that certain expenditure incurred by the Consul at Lukoja, on the Niger, should have been charged against the vote for extraordinary expenses for foreign missions, *Sir W. Dunbar* 1362——Dissent from the foregoing view; there was no mission in the case, *Foster* 1363.

Exceptional character of an expenditure of 1,741 *l.* 6 *s.* 10 *d.*, in respect of the Niger Expedition, incurred by the consul without previous report to the Foreign Office; conclusion as to the account having been verified by the consul, *Alston* 1527–1544.

Reference by the Committee to the exceptional character of the expenditure in the case of Vote 10, Class IV., *First Rep.* v.

Nomination of Committee. Advantage to be derived from nominating the Committee on Public Accounts as soon as possible after the meeting of Parliament in the spring, *Second Rep.* v.

O.

Office of Woods, &c. See *Woods and Forests.*

Office of Works, &c. Doubt as to the necessity of previous estimate in the case of a small payment, sanctioned by the Treasury, to the consul at Paris for services rendered to the Department of Works, *Russell* 222–228——Facility of preventing confusion in future by specifying in the Office of Works Vote the localities in which it superintends the expenditure on buildings, *Foster* 321–327.

Statement of the practice of the Office of Works as to paying extra receipts into the Exchequer; intention to pay over quarterly in future, *Foster* 463–465——Sufficiency of quarterly payment of the balances, *Sir W. Dunbar* 466——Practice of the Office of Works to retain extra receipts until after the receipt of the report of the Comptroller and Auditor General, *Russell* 467.

Doubt as to the Office of Works being responsible for an alleged delay in auditing the accounts sent up from Scotland in respect of new buildings and alterations, *Vine* 732–737——Explanation that the postponement of a certain account was an irregularity, which will not occur again, *Bedder* 993–997——Clear distinction between the management vested in the Office of Woods and in the Office of Works in regard to Windsor, &c., *Right Honourable C. A. Gore* 1990–1995.

Conclusion of the Committee as to the expediency of the Office of Works undertaking the administration of all structural expenditure, *First Rep.* iv. vi.

See also *Inland Revenue* (*Buildings, &c.*). *Police* (*Royal Parks*).

Order of Votes and Estimates. Explanation as to the order of the votes in the accounts not strictly following the order in the estimates; arrangement desirable in future on this point, *Foster* 41–50.

P.

Pensions (*Foreign Courts*). Dissent from a suggestion by the Comptroller and Auditor General relative to the mode of account in the case of certain pensions payable at foreign courts by officers abroad, *Foster* 1401.

Pigott, George. (Analysis of his Evidence.)—Represents the Accountant General of the Court of Chancery in Ireland, but is unable to explain the causes of variation between the expenditure and the grant, 998–1017——Submits explanations on certain specific points raised by the Committee in respect of the estimate and expenditure, 1018 *et seq.*

Police, Counties and Boroughs. Obstacle to ascertaining beforehand whether the Vote for "Police, Counties and Boroughs," shall be overdrawn so as to take a supplementary vote, *Foster* 2083–2087——Conclusion that the deficiency of this vote must have been known in time for a supplementary vote to be taken, *Anderson* 2083.

Reports, 1870—*continued.*

Police (*Royal Parks*). Statement relative to an excess of expenditure under Vote 9 on account of the police for Royal parks, *Russell* 105-110——Insufficiency of the balance at the end of the year 1867-68 for meeting the charges for the police, so that the payment was deferred till 1868-69, *ib.* 110-117. 120-122——Difficulty of knowing what the balance will be because of the delay in receiving the sub-accountants' accounts, *ib.* 112-116.

Wrong principle pursued by the Office of Works as regards the postponement of a payment in respect of police in the parks in 1867-68, *Foster* 118, 119. 123-125.

Further explanation on the subject of the Accounts of the Royal Parks, and the delay in getting in the sub-accountants' accounts, *Russell* 217-221.

Poor Law Inspectors. Probable cause of a material reduction in the charge for travelling expenses of Poor Law Inspectors, *Foster* 637-640.

Portland Harbour. Explanatory statement on the part of the Accountant General of the Navy as to the delay in rendering an Appropriation Account of the Portland Harbour Vote; this delay will not occur again, *Edwards* 439-449——Statement as to witness not having made a supplementary report upon the Portland Harbour Account; question of his now doing so, *Sir W. Dunbar* 450-455.

Post Office (*Buildings*). Statement as regards an excess on the Office of Works Vote for Maintenance and Repairs, in respect of Post Office buildings, that the estimate is one which is very liable to be exceeded, *Russell* 288-294——Charge in the Office of Works Estimates for the first time in 1868-69 in respect of Post Office and Inland Revenue buildings; doubt as to there having been any written sanction from the Treasury on the subject, *ib.* 330-333. 335-337.

Post Office (*Void Money Orders*). Reference to the question of the void money order fund as being now under the consideration of the Postmaster General and the Treasury, *Chetwynd* 1605. 1607——Statement to the effect that the Treasury have decided to carry out the recommendation of the Committee of 1869 in regard to the mode of dealing with the post office void money orders; objections by the Postmaster General to any alteration, *Foster* 1608-1613——Understanding as to the acceptance by the Post Office of the recommendation by the Committee in 1869 as to void money orders, *First Rep.* vi.

Postponement of Expenditure. Several instances of sums having been brought to charge in the year 1868-69, which should legitimately have come in course of payment during the preceding year, *First Rep.* iii.—— *See* also *Savings and Deficiencies.*

Pulman, Mr. Explanation as to certain expenditure incurred by Mr. Pulman on Treasury business having been charged as a payment out of the Treasury Vote for 1869-70; *Foster* 212-216.

R.

Rates (*Government Property*). As inspector of rates at the Treasury, witness explains an excess of expenditure to the extent of 3,802 *l.* on Vote 22, as arising chiefly from the conversion of a large number of rates into contributions by way of bounty, advantages of this arrangement, which leads to a practical saving upon the rates, *Griffiths* 237-263. 280-282. 286, 287——Explanation as to an unexpended balance of the Vote "Rates for Government Property," for the year 1867-68, not having been surrendered to the Exchequer till March 1870, *ib.* 283-285.

Consideration of the present system by which the estimates for rates on Government property contain no contributions except for the Army and Navy; amended arrangement suggested, *Foster* 264-279.

Russell, George. (Analysis of his Evidence.)—Statement as regards some stores provided for the consulates in China and Japan, that these did not come in any way within the province of the Office of Works, 2. 5.

Impracticability in many cases of stating how much of the unexpended amount of any Vote was due to mere postponement, and how much to actual saving, 33-38.

Statement relative to an excess of expenditure under Vote 9, on account of the police for Royal parks, 105-110——Insufficiency of the balance at the end of the year 1867-68 for meeting the charges for the police, so that the payment was deferred till 1868-69; 110-117. 120-122——Difficulty of knowing what the balance will be, because of the delay in receiving the sub-accountants' accounts, 112-116.

Further explanation on the subject of the accounts of the Royal parks, and the delay in getting in the sub-accountants' accounts, 217-221——Doubt as to the necessity of previous estimate in the case of a small payment, sanctioned by the Treasury, to the Consul at Paris, for services rendered to the Department of Works, 222-228——Statement in explanation of certain expenditure in respect of court-houses in Scotland;

Reports, 1870—*continued.*

Russell, George. (Analysis of his Evidence)—*continued.*

obstacle to any estimate in the case of an item of 919 *l.* expended on Inverness court-house, 234, 235.

Statement as regards an excess on the Vote for Maintenance and Repairs, in respect of Post Office buildings, that the estimate is one which is very liable to be exceeded, 288-294.

Charge in the Office of Works Estimates for the first time in 1868-69 in respect of Post Office and Inland Revenue buildings; doubt as to there having been any written sanction from the Treasury on the subject, 330-333. 335-337.

Explanation as to the check upon fraud or double payment in the case of furniture or of work, paid for out of the Vote of the Office of Works, 368, 369. 379-387.

Practice of the Office of Works to retain extra receipts until after the receipt of the report of the Comptroller and Auditor General, 467.

Ryan, Charles Lister. (Analysis of his Evidence.)—Grounds for adhering to the opinion expressed by the Audit Office that certain final payments made from Civil Contingencies should have been charged to and included in the account of the Tehran Mission House for 1868-69; 71-73. 78. 89, 90.

Explanation that every case of a deficiency upon a Vote appears upon the Appropriation Accounts, 155-157.

Grounds upon which the Audit Department concluded that Curragh of Kildare salaries should have been charged to Civil Contingencies, 554. 557-559.

Incorrect proceeding of the Admiralty in not furnishing the vouchers with a certain account of charges paid for the convict service, 700, 701. 709-712——These vouchers might be inspected at the Admiralty, 717.

Comment upon the very confused manner in which the account of the Science and Art Department was rendered, 1076——Statement as to there being several imprests of the Department still unaccounted for, 1101-1103——Explanation as regards certain expenditure of the Department in respect of the School of Naval Architecture, that the account should have been rendered to the Admiralty, 1114-1120. 1123-1126. 1129-1133——Explanation as regards extra receipts paid by the Department to the Exchequer, 1161, 1162.

Reference to a letter from the National Education Office, Dublin, dated 3rd March 1870, submitting sundry objections to an alteration of the present system of rendering the accounts of the office in relation to the Estimate, 1181. 1184——Evidence on the question of a further sub-division of the accounts; deficient check of the Audit Department under the present practice, 1185, 1186. 1204. 1220, 1221. 1225.

Exception taken to the Consular Vote as including the military half-pay of Colonel Mansfield, Consul at Warsaw, 1308, 1309. 1312——Grounds upon which the Audit Department objected to certain excess of expenditure as sanctioned by the Foreign Office, which was incurred by Consul Macleod in the Niger districts, 1330-1332. 1337-1342. 1352-1355.

Statement in explanation of the course pursued by the Audit Office as regards an item of 162 *l.* 15 *s.* 4 *d.*, under Vote 10, surrendered in excess of the savings of the previous year, 1546-1548. 1551. 1555-1559. 1563.

Grounds for the objection by the Audit Office in regard to a sum of 26 *l.* 13 *s.* 4 *d.*, paid as pension to Mr. Neal, Consul at the Piræus, 1573, 1574.

Practice of the Audit Department as to reporting to the Treasury, and not to Parliament, in certain cases of non-compliance with the Treasury regulations, 1803-1805.

Cost of audit of the Greenwich Hospital capital and income account, which is audited under a special Act, 1884-1889——Power of the Treasury to refer accounts to the Audit Office, 1888. 1890.

S.

Salaries, Increase of. Practice generally for the Treasury to avoid sanctioning increases of salaries during the currency of the financial year; authority to depart from this rule, *Foster* 661-674.

Savings and Deficiencies. Great difficulty of such a separation by the Treasury of the accounts as would show whether a "saving" was owing to the work not having been performed, or to its having been performed more cheaply than was anticipated, *Foster* 9, 10——Admission that the terms "savings" and "deficiencies" do not exactly convey the fact, a real saving not being necessarily effected, because the expenditure within the year is less than the sum voted, *ib.* 11-17.

Respects in which the term "savings," though not strictly inaccurate, is likely to mislead, *Anderson* 19-21——Impractibility in many cases of stating how much of the unexpended

Reports, 1870—*continued.*

Savings and Deficiencies—continued.

unexpended amount of any Vote is due to mere postponement, and how much to actual saving, *Russell* 33–38——Explanation that every case of a deficiency upon a Vote appears upon the Appropriation Accounts, *Ryan* 155–157.

Opinion adverse to extending to the Civil Service Votes the power which exists in the case of the Army and Navy Votes of applying the saving on one Vote to the deficiency on another, *Anderson* 177–181——Necessity of sanction by the Treasury before the saving on one sub-head of a Vote can be applied to the deficiency on another, *Foster* 751–754.

Advantage, if it were feasible, of the statement of savings and deficieneies, not only of the Army and Navy, but of the Civil Service, being examined by Parliament before the deficiencies are voted, *Anderson* 1756–1765—— Necessity of an Act of Parliament if the Savings and Deficiencies Account and the Appropriation Account are to be amalgamated, and are to be rendered at a different time, *ib.* 1767. 1818, 1819.

Statement as to witness not being specially called upon by Act to report that deficiencies have been voted, *Sir W. Dunbar* 1808——Misunderstanding likely to arise from the terms "savings" and "deficiencies;" amended terms suggested, *First Rep.* iii. vii.

Explanation that the less expenditure than was voted in the case of the Civil Services and Revenue Departments does not necessarily imply a saving to that extent, *First Rep.* vi.

See also *Army Accounts and Estimates. Civil Contingencies Fund. Form of Account. Navy Accounts.*

School of Naval Architecture. Explanations submitted on the subject of payments by the Science and Art Department for the Admiralty in respect of the School of Naval Architecture, *McLeod* 1111, 1112. 1114–1117. 1123. 1127; *Simkins* 1113. 1128——Irregular course pursued as regards payments by the Department on behalf of the Admiralty for the School of Naval Architecture, *Sir W. Dunbar* 1118, 1119. 1121; *Ryan* 1120. 1123–1126. 1129–1133.

Schools of Art. Excess of payments to Schools of Art under the system of payment on results, *Cole* 1108–1110.

Science and Art Department. Comment upon the very confused manner in which the account of the Science and Art Department has been rendered, *Ryan* 1076—— Inquiry made by Mr. Foster and witness in 1868 and 1869 into the accounts of the Science and Art Department; reports subsequently made to the Treasury, showing the several oints requiring explanation and amendment, *Vine* 1077–1083. 1099, 1100——Long periods for which several imprests have been outstanding, *ib.* 1079. 1099, 1100.

Recent reply by the Science and Art Department to a certain Report upon the accounts of the Department, *Cole* 1084–1088——Responsibility of witness as accountant, though until lately he had very little to do with the matter of the accounts, *ib.* 1095–1097. 1168, 1169.

Witness lays before the Committee the reply of the Department to the Report of the Commissioners of Public Accounts, *McLeod* 1098——Explanation offered on the subject of outstanding imprests, *ib.* 1098. 1104–1107——Statement as to there being several imprests of the Department still unaccounted for, *Ryan* 1101–1103.

Information as to the mode of accounting for certain receipts and payments, and as to the course pursued as regards certain fees, *Cole* 1108–1112. 1114. 1122. 1144. 1146. 1150–1154——Large increase of expense for fuel and lights adverted to and explained, *ib.* 1134–1143——Statement on the subject of extra receipts paid over by the Department to the Treasury, *Simkins* 1155–1160.

Explanation as to certain exceptions taken to the accounts of the Science and Art Department, *Sir W. Dunbar* 1118, 1119. 1121. 1146–1148. 1150. 1153—— Statement as regards extra receipts paid by the Department to the Exchequer, *Ryan* 1161, 1162.

Communication from the Secretary of the Exchequer and Audit Department, dated 6th April 1869, relative to certain discrepancies and irregularities in the account of the Science and Art Department, *App.* (*First Rep.*) 126, 127.

Expediency of steps being taken to prevent a recurrence of the irregularities in respect of Vote 9, Class IV. *First Rep.* iii.

See also *School of Naval Architecture. Schools of Art.*

Reports, 1870—*continued.*

SECRET SERVICE MONEY:

1. *Representations on the part of the Foreign Office with reference more especially to the non-surrender of Balances.*
2. *Explanations on the part of the Audit Department, exceptions being taken to the Practice of the Foreign Office, and an amended System being suggested.*
3. *Question as to Issues from the Secret Service Vote being Payments or Imprests.*
4. *Distribution of the Vote by the Treasury.*
5. *Foreign Office Account for* 1869-70.
6. *Periods of Account of the different Departments.*
7. *Views of the Committee as to the Surrender of Balances.*

1. *Representations on the part of the Foreign Office with reference more especially to the non-surrender of Balances:*

Explanation as regards the Secret Service money expended by the Foreign Office, that legal opinion has been taken, and that the Civil List Act, 22 Geo. 3. c. 82, is still operative and has not been overruled by the Exchequer and Audit Act, *Right Hon. E. Hammond* 777-785. 819-827. 829-833, 880-893——Summary of the conclusions arrived at by the law officers of the Crown; information as to the case submitted for their opinion, *ib.* 777-779. 829-833. 885-889.

Suggestion by the law officers that the receipt given by the Secretary of State for the lump sum issued should be remitted to the Audit Office, and should be accepted as a discharge to the Treasury; concurrence in this view, *Right Hon. E. Hammond* 777-784. 787 ——Circumstance of the Foreign Office not being obliged to render an account of the Secret Service until three years after its issue, there being moreover no power of surrendering the balances, *ib.* 786-799. 806, 807. 811. 894-898——Regulation of the applications so as to leave about half a year's expenditure in hand; expediency of this arrangement *ib.* 794-805. 857-860.

Periodical account rendered to the Audit Office under the Civil List Act showing in lump sums the moneys received and expended, *Right Hon. E. Hammond* 811-820. 900 —— Considerable inconvenience if it were necessary to close every year the Secretary of State's accounts of Secret Service disbursements and to surrender the balance, *ib.* 834, 835. 861-870. 898, 899—— Statement as to the Secret Service money not having been voted by Parliament when the Civil List Act was passed, *ib.* 836.

Argument that the question lies between the Treasury and Audit Office rather than between the Foreign Office and the latter, *Right Hon. E. Hammond* 837-850—— Similar procedure now adopted by the Foreign Office as for many years past, *ib.* 851-856 —— Practice of the Foreign Ministers abroad as to drawing upon the Secretary of State for the sum required for Secret Service, their receipt being a discharge to the Secretary of State, *ib.* 871, 872.

Doubt as to any sums being now charged for the Foreign Secret Service upon the Civil List Revenues, *Right Hon. E. Hammond* 873-884. 890-892——Further objection to the Foreign Office being required to account to the Treasury, as contended by the Audit Office, *ib.* 900, 901——Conclusion as to the sufficiency of the audit hitherto practised, *ib.* 901——Inexpediency of separating the Secret Service Vote into specific sums for the different departments, *ib.* 902.

2. *Explanations on the part of the Audit Department, exceptions being taken to the Practice of the Foreign Office, and an amended System being suggested:*

Grounds for the conclusion that the legal opinion cited by Mr. Hammond on the question of Foreign Secret Service expenditure is based on wrong assumptions, and that the Audit Department have a legal right to require an appropriation account, *Sir W. Dunbar* 828, 829. 903 *et seq.*—— Right of the Audit Office to call for an account under the Act of 1785; error of Mr. Hammond in stating that the account is rendered under the Civil List Act, *ib.* 904.

Witness contends that no inconvenience would arise from rendering an annual account; suggestions as to the form of such account and the vouchers and affidavits to be furnished, *Sir W. Dunbar* 904-912. 915-945. 948, 949——Expediency of any balance at the end of the year being surrendered, *ib.* 913-915——Statement that the account for Secret Service has since 1807 been an appropriation account, *ib.* 914.

Requirement by the Exchequer and Audit Act of 1785 that an account should be rendered within twenty months from the commencement of the financial year, *Sir W. Dunbar* 915. 955-957——Expediency of payments and not issues, being included in the account, *ib.* 915. 933——Statement showing that several accounts have been rendered by the Foreign Office in periods much less than twenty months, *ib.* 915-920. 926, 927.

Practice of Ministers abroad to draw bills on the Treasury, when they have occasion to expend money for Secret Service, *Sir W. Dunbar* 920-924——Explanation that according to the plan advocated by witness no inconvenience would arise on the score of publicity, *ib.* 925-935. 938-945. 948, 949. 974-978 ——Exception taken to Mr. Hammond's

Reports, 1870—*continued.*

SECRET SERVICE MONEY—continued.

2. *Explanations on the part of the Audit Department, &c.*—continued.

mond's statement that the Secretary of State should have a half year's balance in hand for any emergency, *Sir W. Dunbar* 934——Further statement as to the legal right of the Audit Office to call for an appropriation account of Secret Service payments by the Foreign Office, *ib.* 972–974.

3. *Question as to Issues from the Secret Service Vote being Payments or Imprests:*

Conclusion that the issue to the Secretary of State is a payment and not an imprest or advance, *Right Hon. E. Hammond* 784, 785——Comment upon the view that issues from the Secret Service Vote are epuivalent to payments, *Sir W. Dunbar* 913——Conclusion that an issue of Secret Service money to a Secretary of State is an imprest or advance, the Treasury being the accounting department, *Foster* 953.

4. *Distribution of the Vote by the Treasury:*

Explanation as to the distribution by the Treasury, to the several departments, of the Vote for Foreign Secret Service money, *Foster* 961–971.

5. *Foreign Office Account for* 1869-70:

Account of the Secretary of State for Foreign Affairs in respect of Secret Service money for the year ended 31st March 1870, *App.* (*First Rep.*) 122.

6. *Periods of Account of the different Departments:*

Comparatively short periods within which the Colonial Office and Home Office rendered their Secret Service accounts, *Sir W. Dunbar* 936. 946, 947.

Statement of the period of account and date of delivery since 1846, in respect of the Foreign Office, Home Office, and Colonial Office, *App.* (*First Rep.*) 122, 123.

7. *Views of the Committee as to the Surrender of Balances:*

Conclusions of the Committee adverse to the views of the Foreign Office as to the surrender of balances, *First Rep.* iv.

Specie, Freight of (*Treasury Chest*). Reference to a suggestion by witness as to the mode of charging freight of specie, *Sir W. Dunbar* 1394. 1397——Explanation as to the practice of the Treasury in remitting specie for the Treasury chests, and in charging the cost of freight, *Foster* 1395, 1396. 1399, 1400——Doubt as to the expediency of any change of system in regard to the charge for freight of specie, *Anderson* 1398.

Stansfeld, Right Honourable James (Member of the Committee). Analysis of his Evidence.—Statement as to the Government not being favourable to the change of system proposed by the Public Accounts Committee of 1869, as regards the accounts of the Department of Woods and Forests; hope expressed that the question will be re-considered by the present Committee, 982.

Evidence in detail in support of the conclusion arrived at by the Treasury, that certain election expenses in the case of London University, were properly chargeable against the University Vote, 1249–1261. 1266–1274. 1278.

Further explanation as to Government not being prepared to sanction certain proposed changes in the mode of dealing with the revenues of the Woods and Forests, 1930–1941——Further explanation as to Government not being prepared to sanction certain proposed changes in the mode of dealing with the revenues of the Woods and Forests, 1930–1941——Facility of dealing by Vote with the management expenses of the Department, 1939–1941.

Sub-heads (*Accounts and Votes*). Rules laid down by witness in communication with the Departments, showing how the Exchequer and Audit Department would be guided in dealing with payments under different circumstances, and in reporting whether expenditure under sub-heads was properly chargeable to the Vote, *Sir W. Dunbar* 415–417.

Approval of the practice of sometimes introducing a sub-head not included in the original Vote, *Foster* 1402–1405——Duty of the Comptroller and Auditor General to ascertain the intention of Parliament as to the appropriation of the money voted, it being however very inexpedient for him to go into the details of the sub-heads, *ib.* 1501–1504. 1509, 1510.

Argument, that it is witness's province and duty to look at the whole Estimate, as laid before Parliament, including the sub-heads, in order to see that the money voted has been devoted to the purposes intended, and to report thereon; he has no power to disallow, *Sir W. Dunbar* 1428. 1467–1480. 1485–1499.

Evidence in explanation and support of the view that it is the duty of the Comptroller and Auditor General, under the 27th section of the Exchequer and Audit Act to report to Parliament when there is an excess upon the sub-heads of any Vote, involving variation from the intentions of Parliament, *Anderson* 1434–1466. 1480–1485. 1500.

Supplementary Votes. See *Civil Contingencies Fund.*

Reports, 1870—*continued.*

T.

Tehran Mission House. Reference to the vote for the Tehran Mission House as being now combined with another vote; explanation as to this vote coming between two English votes, *Foster* 42–47——Statement as to certain expenditure in respect of the Tehran Mission having been charged to Civil Contingencies; exceptional circumstances under which this was done by the Treasury, *ib.* 63, 64. 68–70. 73–77. 79–88.

Explanation as regards the vote for the Tehran Mission House, that a sum of 8,000 *l.* was estimated to be expended within the year for the purchase of the site, and that no further expenditure was estimated for, *J. H. Cole* 58–62. 65–67.

Grounds for adhering to the opinion expressed by the Audit Office that certain final payments made from Civil Contingencies should have been charged to and included in the Account of the Tehran Mission House for 1868–69, *Ryan* 71–73. 78. 89, 90.

Concurrence of the Committee in the view of the Audit Department as to this vote, *First Rep.* iv.

Tonnage Bounty (*Slavers*). Explanation of the principle upon which the tonnage bounty upon slavers is based; precautions against abuse in respect of payments under this head, *Foster* 1290–1293.

Treasury, The. Question considered as to the expediency of a Supplementary Estimate in order to meet the appointment of a Third Lord of the Treasury at an increased salary, and the pay of two additional supplementary clerks, *Foster* 499–512.

Great variety of Acts by which the powers of the Treasury over the Departments are regulated, *Foster* 1791–1794——Power of the Treasury to refer accounts to the Audit Office, *Ryan* 1888. 1890.

See also *Civil Contingencies Fund.* *Exchequer and Audit Department.* *Savings and Deficiencies.* *Specie, Freight of.* *Sub-heads* (*Accounts and Votes*).

U.

Uraguay Republic. Explanation on the subject of a sum of 37,395 *l.* due from the Republic of Uraguay, *Foster* 2063, 2064.

V.

Vine, Charles. (Analysis of his Evidence.)—Doubt as to the Office of Works being responsible for an alleged delay in auditing the accounts sent up from Scotland in respect of New Buildings and Alterations, 732–737.

Inquiry made by Mr. Foster and witness in 1868 and 1869, into the accounts of the Science and Art Department; reports subsequently made to the Treasury, showing the several points requiring explanation and amendment, 1077–1083. 1099, 1100.

Exception taken to the conclusions of the Comptroller and Auditor General upon the subject of a more numerous sub-division in the case of the Estimate and Accounts of the National Education Office, Dublin, 1194–1196. 1201–1204.

Explanation on the subject of accumulated excesses for some years past in respect of expenditure in China, Japan, and Siam, 1386–1393.

Grounds for objecting to the conclusions arrived at by the Audit Office, as regards a sum of 162 *l.* 15 *s.* 4 *d.*, assumed to be expended by sub-accountants of the Emigration Commissioners, and excluded from the accounts for the year 1867–68; 1545. 1547–1550. 1561–1563.

Virgin Islands (*Colonial Vote*). Argument that the Comptroller and Auditor General was not justified in reporting that an expenditure of 431 *l.* 7 *s.* 10 *d.* in respect of damages caused by a hurricane in the Virgin Islands, was not properly chargeable to the Vote, *Foster* 1409. 1412, 1413. 1505–1507.

Exceptions taken to the conclusion arrived at by Mr. Foster as regards witness's report upon an item of 431 *l.* 7 *s.* 10 *d.*, expended in the Virgin Islands; witness contends that he would have failed in his duty to Parliament if he had not reported that this sum was not properly chargeable to the Vote, *Sir W. Dunbar* 1410, 1411. 1413, 1414. 1428–1433. 1467–1480. 1484–1490——Witness rejected the sum on the ground of its not being properly vouched, *ib.* 1411. 1413, 1414——Communications between the Colonial Office and Audit Office, in reference to the foregoing matter, *ib.* 1413.

Statement to the effect that the Colonial Office have been desirous of meeting the views of the Audit Office, as regards vouchers for certain colonial expenditure, and had no reason to suspect that a sum of 371 *l.* 7 *s.* 10 *d.*, expended in the Virgin Islands, would be disallowed, *Lewes* 1415–1417.

Reports, 1870—*continued.*

W.

Whiffin, Henry, W. S. (Analysis of his Evidence.)—Explanation, on the part of the War Department, relative to an item or saving of 40 *l.* in respect of the pay of the inspector of military prisons; conclusion as to the War Office handing over this sum to the Home Office, if the latter had applied for it, as undertaking the duty, 469–474. 476, 477. 480–483.

Exceptionally heavy character of the Army Account for 1868-69, so that the delay in rendering it was unavoidable, 1632——Obstacles to a classification of the expenditure for the Abyssinian Expedition, under the sub-heads of the Vote; immense labour required, 1633. 1648–1651. 1683–1696. 1701——Explanation as to witness not being prepared to supply certain details; he proposes to do so on a future occasion, 1634. 1653, 1654——Several discrepancies in the account in connection with the Abyssinian Expedition; further explanation promised on this subject, 1634–1647. 1680–1682.

Steps taken for an improved classification in the Army Estimates for next year, in regard to stores, 1704, 1705.

Woods and Forests. Doubt as the Government having yet taken into consideration the mode of dealing with the expenditure of the Office of Woods, &c., *Foster* 979–981—— Statement as the Government not being favourable to the change of system proposed by the Public Accounts Committee of 1869, as regards the accounts of the Department of Woods and Forests; hope expressed that the question will be reconsidered by the present Committee, *Right Hon. J. Stansfeld* 982.

Reference to the practice of payment of receivers under the Office of Woods, the amount not coming on the Votes, *Anderson* 1920. 1926, 1927——Opinion favourable to the whole of the charges of the Office of Woods, &c. coming upon the Votes, *Foster* 1921. 1927, 1928——Payment of some of the receivers by salary, and of some by commission, *Sir W. Dunbar* 1922; *Bathurst* 1923–1925; *Anderson* 1926, 1927.

Further explanation as to Government not being prepared to sanction certain proposed changes in the mode of dealing with the revenues of the Woods and Forests, *Right Hon. J. Stansfeld* 1930–1941——Facility of dealing by vote with the management expenses of the department, *ib.* 1939–1941.

Object of the large balance kept in hand by the Commissioners of Woods, &c., *Foster* 1942——Approval of investigation in regard to the large balance retained in hand by the Commissioners, *Anderson* 1943–1946.

Explanation relative to the large balance (72,318 *l.*) in the hands of the Commissioners of Woods, &c., on the 1st April 1868; sufficiency of a balance of about 40,000 *l.*; *Right Hon. A. Gore* 1947–1960. 1969–1989——Increasing sum paid over to the Exchequer as surplus income, *ib.* 1954–1956. 2032, 2033. 2010–2013—— Reasons for the small net receipts from the Royal Forests, as well as for the large excess of expenditure in respect of Windsor Parks and Woods, *ib.* 1961–1968.

Practice as to the receipt of rents by the Office of Woods, and as to the payment of the receivers and stewards of manors chiefly by commission, *Right Hon. C. A. Gore* 1996–2004——Payment of the establishment charges out of the Vote; objection to all the expenses being charged upon the Vote, *ib.* 2005–2022——Economy and efficiency of the management of the Crown estates, *ib.* 2023–2031——Objection to writing off altogether an item of 35,919 *l.*, which appears in the accounts as irrecoverable, *ib.* 2034, 2035.

Consideration of the practice as to the balance kept in hand by the Commissioners of Woods and Forests; arrangement by which it might be largely reduced, *Anderson* 2036–2047——Small investment in stock on account of the capital of the Land Revenue during 1868–69; *ib.* 2048–2051.

Reference of the accounts to the Audit Department, under Act of Parliament, *Foster* 2052. 2054; *Ryan* 2053——Appropriation audit in the case of the Woods and Forests Account, *Anderson* 2054–2056.

Obstacles to an alteration of the present mode of dealing with the expenditure of the Woods and Forests Department, *Second Rep.* iv.——Attention of the Treasury called to the very large balance kept in hand on the Land Revenue (Income) Account, *ib.*

INDEX

TO THE

REPORTS

FROM THE

COMMITTEE

OF

PUBLIC ACCOUNTS.

Ordered, by The House of Commons, *to be Printed,*
18 *July* 1870.

358.

Under 4 *oz.*

REPORT

FROM THE

REFORM CLUB
PALL MALL

SELECT COMMITTEE

ON

RAILWAY COMPANIES;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

MINUTES OF EVIDENCE,

AND APPENDIX.

Ordered, by The House of Commons, *to be Printed,*
7 *July* 1870.

Wednesday, 26th April 1870.

Ordered, THAT a Select Committee be appointed to inquire into the Law and the Administration of the Law of Compensation for Accidents as applied to Railway Companies; and also to inquire whether any and what precautions ought to be adopted by Railway Companies with a view to prevent Accidents.

Tuesday, 24th May 1870.

Ordered, THAT the following Members be nominated:—

Mr. Mowbray.
Mr. Shaw Lefevre.
Mr. Sclater-Booth.
Mr. Headlam.
Sir Henry Selwin-Ibbetson.
Mr. Davison.
Mr. Lopes.
Mr. Sherriff.
Mr. James Lowther.
Mr. Charles Reed.
Mr. Plunket.
Mr. Price.
Mr. Dalglish.
Mr. Hinde Palmer.
Mr. Denison.

Ordered, THAT the Committee have power to send for Persons, Papers, and Records.

Ordered, THAT Five be the Quorum of the Committee.

Thursday, 16th June 1870.

Ordered, THAT Mr. *James Lowther* be discharged from further attendance on the Committee, and that Mr. *Rowland Winn* be added thereto.

Monday, 4th July 1870.

Ordered, THAT the Report of the Commissioners on Railways [presented 7th May 1867] be referred to the Select Committee.

Thursday, 7th July 1870.

Ordered, THAT the Committee have power to report their Observations, together with the Minutes of Evidence taken before them, to The House.

REPORT - - - - - - - - - - - - - - p. iii
PROCEEDINGS OF THE COMMITTEE - - - - - - vii
MINUTES OF EVIDENCE - - - - - - - - - - 1
APPENDIX - - - - - - - - - - - - - 180

REPORT.

THE SELECT COMMITTEE appointed to inquire into the LAW and the Administration of the LAW of COMPENSATION for ACCIDENTS as applied to RAILWAY COMPANIES; and also to inquire whether any and what Precautions ought to be adopted by RAILWAY COMPANIES with a view to prevent ACCIDENTS;——HAVE considered the matters to them referred, and have agreed to the following REPORT:—

YOUR Committee commenced the inquiry entrusted to them by receiving the evidence of several gentlemen acting in different capacities in the management of railways, and hearing from them the defects in the law of which they considered that the railway companies had reason to complain. The Committee also, through their Chairman, addressed a communication to the Chiefs of the Courts of Common Law, requesting the advice and assistance of the judges in the prosecution of the inquiry, and the result is that four judges have given to the Committee the benefit of their knowledge and experience.

Application was also made to the Board of Trade, and, in consequence, two of the Inspectors who are in the habit of investigating the causes of railway accidents, were deputed by the office, and have given evidence.

It will be convenient, in the first place, to refer to the law upon the subject. The legal liabilities of railway companies for accidents may be divided into two heads. First, the liability to persons who are not passengers, with whom the railway companies have not entered into anything in the nature of a contract; and secondly, the liability of the companies to passengers who have paid for their tickets, and with whom consequently the companies have entered into a contract.

It may, however, be observed, that though the liability in the two cases depends upon a different principle of law, the difference in practice as the law is now administered is not great, for in each case the liability of companies for injuries caused by the negligence of their servants is unlimited, and in each case the damages (if not made the subject of an agreement) are assessed by a jury. In the case of the person, not a passenger, with whom there is no contract, the liability rests upon the general law, which law is applicable to private individuals as well as to companies, though the railway companies complain that it is administered against them, by the intervention of juries, with much greater severity than it is administered against private individuals.

Under this law a master or employer, whatever care he may have taken in the selection of his servant, is liable to the full extent of any injury done by such servant within the line of his duty. This unlimited liability was until recent times considerably modified by another somewhat technical rule of law, to the effect that no action for damages could be maintained after death for an injury done during life, or as the rule was expressed, *actio personalis moritur cum personâ*.

This modification was abolished in the year 1846 by Stat. 9 & 10 Vict. c. 93, commonly called Lord Campbell's Act. And it may be observed that this change did not arise from anything connected with railway accidents in particular, but probably from a feeling that the rule rested upon no sound foundation.

One of Her Majesty's counsel, examined before the Committee, has expressed a strong opinion concerning the injustice of the general law; and submitted that the master ought not to be mulcted in civil damages to any extent for the negli-

gence of a servant except in the same case as that in which he would now be liable criminally, that is to say, when he himself has, by his own negligence or default, contributed to the injury. This view has not, however, been confirmed by the opinion of other witnesses; and though there is some difficulty in giving a reason why a perfectly innocent person should be liable to an unlimited extent for an accident caused by the negligence of his servant acting (as it might be urged) contrary to his orders, yet your Committee do not feel themselves in a position to recommend such an alteration of the law.

The liability, however, of a railway company with respect to passengers, rests upon an implied contract, and it is well worth the consideration of the House whether the present interpretation of this contract is fair to the railway companies or beneficial to the public.

The Railway Commissioners of 1867 thus express themselves on this part of the subject: "On the other hand, it should not be forgotten that there is an important distinction between damages for injuries inflicted by a mere wrong-doer, and for contingencies resulting from the failure to perform a contract which the person injured willingly entered into, knowing that it was attended with a certain risk."

The railway companies complain of the interpretation put by the law upon these contracts with their passengers, and say that the liability imposed upon them bears no relation to the sums paid to them, and that they have no power of charging a higher fare to a passenger, with respect to whom they incur a great risk than to a passenger with respect to whom the risk is comparatively small.

It does not seem clear whether a railway company could legally by notice given to a passenger, affect the interpretation the law now puts upon the contract, and thus diminish their liability; but the practical difficulties incident to such a step would probably be found insuperable. The railway companies complain as much (if not more) of the administration of the present law as of the alleged injustice of the law itself. They say that unreasonable and excessive damages are awarded against them by juries, that great frauds are constantly practised upon them, that the costs incident to the settlement of claims are made extravagantly high, and that of the very large sums paid by them, partly for costs and partly for damages, a large portion is dissipated, and does no good to the claimants. They say that in the arrangement of claims without the aid of the court, they are prejudiced, and compelled to pay much more than is fair and reasonable by the power which the claimants possess of forcing the company into court, and compelling them to pay the costs on both sides.

Although the evidence given by the judges fails to bear out these complaints to the full extent, your Committee are of opinion that many of these complaints are well founded, and that there are objections to the present administration of the law, of which the companies have reason to complain.

The railway companies suggest as a remedy for these evils, that a fixed limit upon the extent of their liability should be imposed by the Legislature, and that persons estimating the risk at a higher sum than that for which the companies are made liable, should be entitled to insure on reasonable terms made obligatory upon the company. The companies further suggest that some change should be made in the nature of the tribunal to adjudicate upon claims, and that the assessment of damages should not be left as at present to the decision of a jury.

In support of the suggestion, that a limit should be placed upon the liability, it may be mentioned, in the first place, that in the year 1830, by Statute 11 Geo. 4 and 1 Will. 4, c. 8, commonly called the "Carriers Act," the Legislature fixed the sum of 10 *l.* as the liability of carriers for the conveyance of goods and parcels, and imposed, when persons who wished to hold the carrier liable for a larger sum, the necessity of paying an additional sum for the conveyance.

Also, in the year 1854, by the Railway and Canal Traffic Act, 17 & 18 Vict. c. 31, the liability of railway companies for the carriage of horses, cattle, and sheep was limited, so that a company is now liable only to the extent of 50 *l.* for a horse; but the owner of the horse may, if he think fit, increase the liability by declaring the value he puts upon the horse, and paying an additional sum. The two principles contended for by the railway companies, namely, the limit of the liability, and the decision of disputed claims by arbitration, have been adopted by the Legislature in the case of what are called workmen's trains.

The

The history of these workmen's trains has been given in evidence before the Committee, and it would appear that the experiment has been satisfactory. The theory was, that as the railway companies disturbed a certain number of working people, who were obliged to remove into suburban districts, it was right that the railway companies should place these people in as good a condition as that in which they had formerly been in by giving them the advantage of very cheap conveyance to and from their work.

The railway companies, in accepting this obligation, stipulated in return that the liability with respect to these trains should be limited, and that claims arising in respect of accidents occurring upon these trains should be settled by arbitration. This stipulation was assented to, and it was accordingly enacted, "That the liability of the company under any claim to compensation for injury or "otherwise in respect of each passenger travelling with such ticket as aforesaid, "shall be limited to a sum not exceeding 100 *l.*, and the amount of compensa- "tion payable in respect of any passenger so injured shall be determined by "an arbitrator to be appointed by the Board of Trade, and not otherwise."

The Royal Commissioners in their Report recommend that workmen's trains on this principle of limited liability should run in and out of every manufacturing town.

Your Committee recommend that facilities should be given for the extension of the system, and that provision should be made to enable railway companies to establish workmen's trains without the necessity of applying to Parliament for the purpose.

With respect to the ordinary traffic of passengers, the recommendation of the Royal Commissioners is in the following terms:—

We recommend that, on the one hand, railway companies should be absolutely responsible for all injuries arising in the conveyance of passengers, except those due to their own negligence; and that, on the other hand, the liability of the railway companies be limited within a maximum amount of compensation for each class of fares.

With respect to these recommendations, your Committee propose an alteration in the tribunal before which cases of railway accidents for the future should be heard. They are of opinion that trial by jury does not in these cases work satisfactorily; and they recommend that for the future a court should be established for the trial of these cases without a jury, which would be sufficiently strong to secure the confidence of the public, and which should possess adequate legal experience, and be assisted by engineering and medical advice. They recommend to the careful consideration of Her Majesty's Government the best mode of constituting such a tribunal.

All disputed claims for damages arising out of railway accidents should be made to this court, which should have power, if it thinks fit, to institute an inquiry on the spot.

The costs should in all cases, when the claimant recovers damages, be borne by the company, except when the company should have tendered a sum equal to, or larger than, the sum recovered, in which case the costs should be in the discretion of the court.

Notices of possible or probable claims shall be given to the company within a limited specified time from the date of the accident; in default thereof no claim shall be established.

Should this tribunal be established, your Committee see no reason for altering the present system of unlimited liability.

In the event of the tribunal remaining as at present constituted, your Committee are of opinion that the liability should be limited as follows, viz., in the case of

	£.
1st Class Passengers - - - - - - -	1,000
2nd „ „ - - - - - - -	500
3rd „ „ - - - - - - -	300

Your Committee further think that if this limitation is conceded, the public should have power of insuring with the company, for an additional sum of 3,000 *l.* in a 1st class, 2,000 *l.* in the 2nd class, 900 *l.* in a 3rd class, at a reasonable charge not exceeding 3 *d.* a 1,000 *l.* for the 1st class, 2 *d.* for 500 *l.* in the 2nd class, and 1 *d.* for 300 *l.* in the 3rd class, for the journey.

Your Committee have received evidence in favour of the block system, and it has been shown before them, that where it has been adopted it has materially conduced to the safety of the public.

Your Committee have also received evidence in favour of the principle of the interlocking of signals and points, and concerning continuous breaks.

They recommend the evidence on these subjects to the careful consideration of boards of directors.

7 July 1870.

PROCEEDINGS OF THE COMMITTEE.

Monday, 30*th May* 1860.

MEMBERS PRESENT:

Mr. Davison.	Mr. Dalglish.
Mr. Denison.	Mr. Sclater-Booth.
Mr. Hinde Palmer.	Mr. Reed.
Mr. Mowbray.	Mr. Plunket.
Sir Henry Selwin-Ibbetson.	

Mr. HEADLAM was called to the Chair.

[Adjourned till Monday, the 13th June, at Twelve o'clock.

Monday, 13*th June* 1870.

MEMBERS PRESENT:

Mr. HEADLAM in the Chair.

Mr. Sherriff.	Mr. Davison.
Mr. Reed.	Mr. Sclater-Booth.
Mr. Price.	Mr. Mowbray.
Mr. Denison.	Mr. Dalglish.
Sir Henry Selwin-Ibbetson.	Mr. Hinde Palmer.

Mr. *James Blenkinsop*, Mr. *Henry Oakley*, and Captain *William O'Brien*, were severally examined.

[Adjourned till Thursday next, at Twelve o'clock.

Thursday, 16*th June* 1870.

MEMBERS PRESENT:

Mr. HEADLAM in the Chair.

Mr. Lopes.	Mr. Sclater-Booth.
Mr. Sherriff.	Mr. Shaw Lefevre.
Mr. Price.	Mr. Reed.
Mr. Denison	Mr. Mowbray.
Mr. Plunket.	Mr. Dalglish.
Mr. Hinde Palmer.	Mr. Davison.

Captain *O'Brien* further examined.

Mr. *Robert Stanley Mansel* and Mr. *James Allport* were severally examined.

[Adjourned till Monday next, at Twelve o'clock.

Monday, 20th June 1870.

MEMBERS PRESENT:

Mr. HEADLAM in the Chair.

Mr. Davison.	Mr. Plunket.
Sir Henry Selwin-Ibbetson.	Mr. Hinde Palmer.
Mr. Rowland Winn.	Mr. Sclater-Booth.
Mr. Denison.	Mr. Reed.
Mr. Lopes.	Mr. Sherriff.
Mr. Price.	Mr. Dalglish.

Mr. Baron *Martin*, Mr. Baron *Bramwell*, Sir *Edward Watkin*, and Mr. *Samuel Laing*, were severally examined.

[Adjourned till Thursday next, at Twelve o'clock.

Thursday, 23rd June 1870.

MEMBERS PRESENT:

Mr. HEADLAM in the Chair.

Mr. Sherriff.	Mr. Rowland Winn.
Sir Henry Selwin-Ibbetson.	Mr. Price.
Mr. Reed.	Mr. Hinde Palmer.
Mr. Plunket.	Mr. Dalglish.
Mr. Davison.	Mr. Lopes.
Mr. Denison.	

Mr. *J. Brown*, Q.C., Mr. *J. S. Forbes*, and Mr. *S. L. Mason*, were severally examined.

[Adjourned till Monday next, at Twelve o'clock.

Monday, 27th June 1870.

MEMBERS PRESENT:

Mr. HEADLAM in the Chair.

Mr. Sherriff.	Mr. Mowbray.
Mr. Denison.	Mr. Sclater-Booth.
Sir Henry Selwin-Ibbetson.	Mr. Rowland Winn.
Mr. Plunket.	Mr. Dalglish.

Dr. *Pemberton*, Colonel *Yolland*, C.E., Mr. Justice *Hannen*, Mr. *W. J. Vian*, and Captain *H. W. Tyler*, were severally examined.

[Adjourned till Thursday next, at Twelve o'clock.

Thursday, 30th June 1870.

MEMBERS PRESENT:

Mr. HEADLAM in the Chair.

Sir Henry Selwin-Ibbetson.	Mr. Hinde Palmer.
Mr. Sherriff.	Mr. Mowbray.
Mr. Davison.	Mr. Sclater-Booth.
Mr. Denison.	Mr. Lopes.
Mr. Rowland Winn.	

Captain *H. W. Tyler* further examined.

Mr. *Charles S. Whitmore*, Q.C., Mr. *J. Grierson*, and Mr. *C. W. Eborall*, were severally examined.

[Adjourned till Monday next, at Twelve o'clock.

Monday, 4th July 1870.

MEMBERS PRESENT:

Mr. HEADLAM, in the Chair.

Sir H. Selwin-Ibbetson.	Mr. Dalglish.
Mr. Sherriff.	Mr. Sclater-Booth.
Mr. Denison.	Mr. Davison.
Mr. Rowland Winn.	Mr. Plunket.
Mr. Mowbray.	Mr. Hinde Palmer.
Mr. Reed.	

Mr. Justice *Willes*, Mr. *George Pattison Elderton*, Mr. *Frederick Rose*, Mr. *Henry Blackmore*, and Mr. *John Peake Knight*, were severally examined.

The Committee deliberated.

Adjourned till To morrow, at Two o'clock.

Tuesday 5th July 1870.

MEMBERS PRESENT:

Mr. HEADLAM, in the Chair.

Mr. Denison.	Mr. Plunket.
Sir Henry Selwin-Ibbetson.	Mr. Sclater-Booth.
Mr. Sherriff.	Mr. Davison.
Mr. Hinde Palmer.	Mr. Reed.
Mr. Rowland Winn.	Mr. Dalglish.
Mr. Price.	Mr. Mowbray.

DRAFT REPORT proposed by the Chairman, read a first time, as follows:—

"1. The Committee commenced the inquiry entrusted to it by receiving the evidence of several gentlemen acting in different capacities in the management of railways, and hearing from them the defects on the law on which they considered that the railway companies had reason to complain. The Committee also, through their Chairman, addressed a communication to the Chief Justices of the Courts of Common Law, requesting the advice and assistance of the judges in the prosecution of the inquiry, and the result is that four judges have given to the Committee the benefit of their knowledge and experience.

"2. Application was also made to the Board of Trade, and, in consequence, two of the Inspectors who are in the habit of investigating the causes of railway accidents, were deputed by the office, and have given evidence.

"3. It will be convenient, in the first place, to give a summary of the law upon the subject. The legal liabilities of railway companies for accidents must be divided into two heads. First, the liabilities to persons who are not passengers, with whom the railway companies have not entered into anything in the nature of a contract; and secondly, the liability of the companies to passengers who have paid for their tickets, and with whom consequently the companies have entered into a contract.

"4. It may, however, be observed, that though the liability in the two cases depends upon a different principle of law, the difference in practice as the law is now administered is not great, for in each case the liability of the company for an injury in any manner caused by the negligence of one of their servants is unlimited, and in each case the damages (if not made the subject of an agreement) are assessed by a jury. In the case of the person not a passenger with whom there is no contract, the liability of the company rests upon the general law, which law is applicable to private individuals as well as to companies, though the railway companies complain that it is administered against them by the intervention of juries with much greater severity than it is administered against private individuals.

"5. Under this law, a master or employer, whatever care he may have taken in the selection of the servant, is liable to the full extent of his means for any injury done by the servant within the line of his duty. *Qui facit per alium facit per se*, is the short legal maxim on the subject. This unlimited liability resulting from the law of master and servant, was until recent times considerably modified by another somewhat technical rule of law, to the effect that no action for damages could be maintained after death for an injury done during life, or as the rule was expressed, *actio personalis moritur cum personâ.*

"6. This modification was abolished in the year 1846 by stat. 9 & 10 Vict. c. 93, commonly called Lord Campbell's Act. And it may be observed that this change did not arise from anything connected with railway accidents in particular, but probably from a feeling that the rule rested upon no sound foundation.

"7. One of Her Majesty's Counsel examined before the Committee, has expressed a strong opinion concerning the injustice of this general law; and submitted that the master ought not to be mulcted in civil damages to any extent for the negligence of a servant, except in the same case as that in which he would now be liable criminally, that is to say, when he himself has, by his own negligence or default, contributed to the injury. This view has not, however, been confirmed by the opinion of other witnesses, and though there is some difficulty in giving a reason why a perfectly innocent person should be liable to the full extent of his means for an accident by a servant, committed (as it might fairly be urged) contrary to his orders, yet your Committee do not feel themselves in a position to recommend a general alteration of the law.

"8. The liability, however, of a railway company, with respect to passengers with whom they have entered into a contract, rests upon the interpretation put upon the contract, and it is well worth the consideration of the House whether the present interpretation of the contract is fair to the railway companies or beneficial to the public.

"9. The Railway Commissioners of 1867 thus express themselves on this part of the subject: "On the other hand, it should not be forgotten that there is an important distinction between damages for injuries inflicted by a mere wrongdoer, and for contingencies resulting from the failure to perform a contract which the person injured willingly entered into, knowing that it was attended with a certain risk.

"10. The railway companies complain of the interpretation put by the law upon these contracts with their passengers, and say that the liability imposed upon them, bears no relation to the sums paid to them, and that they have no power of charging a higher fare to a passenger, with respect to whom they incur a great risk than to a passenger with respect to whom the risk is comparatively small.

"11. It does not seem clear whether a railway company could legally by notice given to such passenger, affect the interpretation the law now puts upon the contract, and thus diminish their liability; but the practical difficulties incident to such a step would probably be found insuperable. The railway companies complain as much (if not more) of the administration of the present law as of the alleged injustice of the principles. They say that unreasonable and excessive damages are awarded against them by juries, that great frauds are constantly practised upon them, that the cost incident to the settlement of claims are made extravagantly high, and that of the very large sums paid by them, partly for costs, and partly for damages, a large portion is dissipated, and does no good to the claimants. They say that in the arrangement of claims without the aid of the court, they are prejudiced, and compelled to pay much more than is fair and reasonable by the power which the claimants possess of forcing the company into court, and compelling them to pay the costs on both sides.

"12. The Committee are of opinion that many of these complaints are well founded, and that there are serious objections to the present administration of the law, of which the companies have good reason to complain.

"13. The railway companies suggest, as a remedy for these evils, that a fixed limit upon the extent of their liability should be imposed by the Legislature, and that persons estimating the risk at a higher sum than that for which the companies are made liable, should be entitled to insure on reasonable terms made obligatory upon the company. The companies further suggest that some change should be made in the nature of the tribunal to adjudicate upon claims, and that the assessment of damages should not be left as at present to the decision of a jury, but that it should either be placed under a county court judge, or that some form of arbitration should be established.

"14. In support of the suggestion that a limit should be placed upon the liability, it may be mentioned, in the first place, that in the year 1830, by Statute 11, Geo. 4 & 1 Will. 4, c. 8, commonly called the "Carriers Act," the Legislature made a fixed limit of 10*l.* as the liability of carriers for the conveyance of parcels, and imposed, when persons who wished to hold the carrier liable for a larger sum, the necessity of paying an additional sum for the conveyance. So, also, in the year 1854, by the Railway and Canal Traffic Act, 17 & 18 Vict. c. 31, the liabilities of companies for the carriage of horses, cattle, and sheep was limited, so that a railway company is now liable only to the extent of 50*l.* for a horse; but the owner of the horse may, if he think fit, increase the liability by declaring the value he puts upon the horse, and paying an additional sum.

"15. The two principles contended for by the railway companies, namely, the limit of the liability, and the decision of disputed claims by arbitration, have been adopted by the Legislature in the case of what are called workmen's trains. The history of these workmen's trains has been given in evidence before the Committee, and it would appear that the experiment has been successful. The theory was, that as the railway companies disturbed a certain number of working people, who were obliged to remove into suburban districts, it was right that the railway companies should place those people in as good a condition

condition as they had formerly been in by giving them the advantage of very cheap conveyance to and from their work.

"16. The railway companies, in accepting this obligation, stipulates in return that the liability with respect to these trains should be limited and that claims arising in respect of accidents occurring upon these trains should be settled by arbitration. This stipulation was assented to, and it was accordingly enacted, 'That the liability of the company 'under any claim to compensation for injury or otherwise in respect of each passenger 'travelling with such ticket aforesaid, shall be limited to a sum not exceeding 100 *l.*, and 'the amount of compensation payable in respect of any passenger so injured shall be 'determined by an arbitrator to be appointed by the Board of Trade, and not otherwise.'

"17. The Royal Commissioners in their Report recommend that workmen's trains on this principle of limited liability should run in or out of every manufacturing town.

"18. Your Committee concur with the recommendation of the Royal Commissioners, and recommend the extension of the system.

"19. With respect to the ordinary traffic of passengers, the recommendation of the Royal Commissioners is in the following terms:—

"'We recommend that, on the one hand. railway companies should be absolutely responsible for all injuries arising in the conveyance of passengers, except those due to their own negligence, and that, on the other hand, the liability of the railway companies be limited within a maximum amount of compensation for each class of fares.'

"20. With this recommendation your Committee concur. It may be observed that, in accordance with this resolution, the liability of the companies would, on the one hand, be extended, and they would be made liable for any accident occurring without negligence or default of themselves or their servants, in cases where the passenger had not himself contributed to the accident; on the other hand, there would be a clear limit as to the amount for which they would be liable.

"21. The Royal Commissioners also recommend that 'any passenger should be entitled 'to require from the company any additional amount of insurance he may desire, on pay-'ing for it according to a fixed tariff.'

"22. With this recommendation also your Committee concurs; but your Committee cannot help expressing their opinion that the difficulties incident to the establisment of proper and authorised rates of premium would be great, and that it may probably be found necessary to leave the matter, as at present, to independent companies.

"23. If the liability were limited in amount, with or without a system of insurance, your Committee are of opinion that many of the objections now urged against the trial by jury would either cease to exist, or be materially diminished.

"24. They would recommend that a railway company should be at liberty to tender to a claimant a certain amount for his claim; that the amount so tendered should not be disclosed to the jury, and without suggesting a precise rule on the subject, and that the costs of the trial should in some measure depend upon the question whether the verdict was for more or less than the sum tendered.

"Subject to this alteration of the law, your Committee recommend that the trial by jury should continue for claims against the company within the limit of their liability in respect of accidents occurring on their ordinary trains. With respect, however, to claims arising out of insurance, it appears that the clauses contained in the Railway Passengers Act are reasonable, and have answered well for all parties; so that your Committee recommend that clauses to the same effect should be made part of any established system of insurance.

"25. Your Committee have received evidence concerning the block system, concerning continuous breaks, and the interlocking of signals and points.

"26. They recommend the evidence on these subjects to the careful consideration of boards of directors; but the Committee feels itself incompetent to express an opinion upon mechanical improvements. And it is, moreover, deeply impressed with a sense of the great difficulties incident to any interference with the responsibility and discretion of the boards of directors."

HEADS of DRAFT REPORT proposed by Sir *H. Selwin-Ibbetson* read a first time, as follows:

"The evidence is very conflicting as to excessive damages and fraudulent cases, on which grounds the Companies claim limitation of liability both in amount and (the necessity of a limit) as to the time of application for damages. For, whereas the different managers and directors who have been examined have adduced many cases in which they believe excessive damages have been given, the judges do not seem prepared to support that view.

"At the same time the evidence clearly shows that the present mode of assessing damages is a very considerable safeguard to the public.

" If, then, a limitation of liability is agreed to, the public have a right to some equivalent, as a check upon directors and railway managers.

" Should, then, trial by jury be done away with in cases of railway accidents, and a limitation be fixed, a court should be established, composed of an officer of the Board of Trade, with a medical assessor, and legal assessor if required, with an absolute right to inquire into all accidents where life is lost or injury takes place.

" This court should hold its inquiry in public, and its reprot in every instance should be published. The inquiry should embrace the inspection by the medical officer of all cases of injury, as far as practicable, on the spot.

" All claims for damages arising out of an accident should be made to the same court which held the inquiry, who shall have power to examine the medical or other evidence of the plaintiff and defendant, and assess the damages.

" Notices of possible or probable claims to be made within a month from the date of the inquiry being held, or not to be entertained.

" Under this court the limitation of liability might be—

" 1,000 *l.* in a 1st class.
" 500 *l.* in a 2nd class.
" 300 *l.* in a 3rd class.

" With power of insuring for a further sum, up to 3,000 *l.* in a 1st class; 2,000 *l.* in a 2nd class; 1,000 *l.* in a 3rd class; at an additional charge of 3 *d.* a 1,000 *l.* for the 1st class; 2 *d.* per 500 *l.* in the 2nd class, and 1 *d.* for 300 *l.* in the 3rd class, for the journey.

" Very strong evidence has come before us that the absolute block system, when adopted through a line, materially adds to the safety of the public.

" It has been constantly recommended by the Inspectors of the Board of Trade, who, in the last two years, have on 28 occasions, reported that the accident would not have occurred if the line had been worked under this system.

" Accidents are shown by the returns to be much less frequent on lines when it is in operation, for in the years 1867, 1868, and 1869, on 12 lines conducted on absolute block over 1,559 miles, there were 27 accidents, with four killed and 106 injured: whilst on eight lines on absolute block, number of miles not returned, there were no accidents at all.

" On the other hand, on 26 lines on the whole system, over 4,334 miles, there were 83 accidents, with 18 killed and 669 injured.

" The system of interlocking points and signals, and the necessity for all facing points being protected by signals, is also constantly recommended by the Inspectors in the interest of the public; and though one witness expressed a disbelief in the advantages to be derived from these changes, several witnesses have strongly corroborated the Inspector's reports.

" Continuous breaks, from the additional power they give to servants in charge of trains, add much to the safety of travelling, enabling guards to check more rapidly the speed of trains, and thus prevent collisions, whilst they materially diminish the risk of carriages running over each other, should an accident happen to any carriage in the front of the train.

" They are shown to be worked with facility and advantage on many of the lines in England and abroad, and ought to be adopted more generally throughout the country.

" Whilst therefore suggesting this change in the question of the limitation of liability of Railway Companies, and the tribunal before which all cases for compensation arising out of accidents on their lines, should be tried, we feel justified, in the interests and for the better protection of the public, in recommending to Railway Companies throughout the country—

" The adoption of the absolute block system.

" The interlocking everywhere of points and signals.

" The necessity of protecting all facing points by signals; and

" The application of continuous break powe rto trains upon their lines.

The Committee deliberated.

Motion made, and Question proposed, " That the Draft Report proposed by the Chairman be read a second time, paragraph by paragraph,"—Amendment proposed, to leave out the words " the Chairman," in order to insert the words " Sir H. Selwin-Ibbetson"—(Sir *H. Selwin-Ibbetson*)—instead thereof.—Question put, That the words, " the Chairman," stand part of the Question:—The Committee divided:

Ayes, 6.	Noes, 3.
Mr. Davison.	Sir H. Selwin-Ibbetson.
Mr. Denison.	Mr. Hinde Palmer.
Mr. Plunket.	Mr. Rowland Winn.
Mr. Price.	
Mr. Sclater-Booth	
Mr. Sherriff.	

Main Question put, and *agreed to.*

Paragraphs 1 to 14 inclusive, amended, and *agreed to.*

Paragraphs

Paragraphs 15 to 18 postponed.

Paragraph 19 *agreed to.*

[Adjourned till One o'clock on Thursday next.

Thursday, 7th July 1870.

MEMBERS PRESENT:

Mr. HEADLAM, in the Chair.

Sir Henry Selwin-Ibbetson.	Mr. Mowbray.
Mr. Sherriff.	Mr. Hinde Palmer.
Mr. Plunket.	Mr. Rowland Winn.
Mr. Davison.	Mr. Price.
Mr. Denison.	Mr. Dalglish.
Mr. Reed.	Mr. Sclater-Booth.

Paragraph 20.—Amendment proposed, to leave out from the word "with," to the end of the paragraph, in order to add the words, "respect to these recommendations, your Committee propose an alteration in the tribunal before which cases of railway accidents for the future should be heard. They are of opinion that trial by jury does not in these cases work satisfactorily, and they recommend that, for the future, a Court should be established" (Sir *Henry Selwyn-Ibbetson*)—instead thereof.—Question, That the words proposed to be left out stand part of the paragraph, put, and *negatived.* Words added.

Another Amendment proposed, after the last Amendment, to add the words, "composed of an officer of the Board of Trade, with a medical and legal assessor, or either of them, if required"—(Sir *H. Selwin-Ibbetson*).—Question, That those words be there added.—The Committee divided:

Ayes, 4.	Noes, 7.
Sir Henry Selwin-Ibbetson.	Mr. Dalglish.
Mr. Hinde Palmer.	Mr. Davison.
Mr. Sherriff.	Mr. Denison.
Mr. Winn.	Mr. Mowbray.
	Mr. Plunket.
	Mr. Price.
	Mr. Reed.

Another Amendment proposed, after the last Amendment, to add the words:—"For the trial of these cases without a jury which would be sufficiently strong to to secure the confidence of the public, and which should possess adequate legal experience, and be assisted by engineering and medical advice. They recommend to the careful consideration of Her Majesty's Government the best mode of constituting such a tribunal"—(Mr. *Mowbray*).—Question proposed, That those words be there added.—Amendment proposed to the said proposed Amendment, after the word "jury" to insert the words "by one of Her Majesty's Counsel, appointed by the Board of Trade, assisted by medical and engineering assessors"—(Sir *H. Selwin-Ibbetson*).—Question, That those words be there inserted.—The Committee divided:

Ayes, 4.	Noes, 7.
Sir H. Selwin-Ibbetson.	Mr. Dalglish.
Mr. Hinde Palmer.	Mr. Denison.
Mr. Sherriff.	Mr. Davison.
Mr. Winn.	Mr. Mowbray.
	Mr. Plunket.
	Mr. Price.
	Mr. Reed.

Amendment *agreed to,* and added to the paragraph.

Further Amendments made.—Another Amendment proposed, after the last Amendment, to add the words: "The Committee concur with the recommendation hereinbefore contained of the Royal Commissioners of 1867, concerning the limitation of the liability of Railway Companies"—(*The Chairman*).—Question put, That those words be there added.—The Committee divided:

Ayes, 5.	Noes, 6.
Mr. Dalglish.	Mr. Denison.
Mr. Davison.	Sir H. Selwin-Ibbetson.
Mr. Price.	Mr. Mowbray.
Mr. Sclater-Booth.	Mr. Plunket.
Mr. Sherriff.	Mr. Reed
	Mr. Winn.

Another Amendment proposed, after the last Amendment, to add the words, "Should this tribunal be established, your Committee see no reason for altering the present system of unlimited liability"—(Sir *H. Selwin-Ibbetson*).—Question, That those words be there added.—The Committee divided:

Ayes, 7.	Noes, 4.
Mr. Davison.	Mr. Dalglish.
Mr. Denison.	Mr. Price.
Sir H. Selwin-Ibbetson.	Mr. Sclater-Booth.
Mr. Mowbray.	Mr. Sherriff.
Mr. Plunket.	
Mr. Reed.	
Mr. Winn.	

Another Amendment proposed, after the last Amendment, to add the words, "in the event of the tribunal remaining as now, your Committee are of opinion that the liability should be limited as follows: viz., in the case of—

	£.
"1st class passengers - - - - -	1,000
"2nd class ,, - - - - - -	500
"3rd class ,, - - - - - -	300"

(Mr. *Sclater-Booth*).—Question put, That those words be there added.—The Committee divided:

Ayes, 8.	Noes, 3.
Mr. Dalglish.	Mr. Denison.
Mr. Davison.	Mr. Plunket.
Sir H. Selwin-Ibbetson.	Mr. Reed.
Mr. Mowbray.	
Mr. Price.	
Mr. Sclater-Booth.	
Mr. Sherriff.	
Mr. Winn.	

Another Amendment proposed, after the last Amendment, to add the words:—"Your Committee further think that if this limitation is conceded, the public should have power of insuring with the company for an additional sum, of 3,000*l.* in a 1st class, 2,000*l.* in a 2nd class, 900*l.* in a 3rd class, at a reasonable charge, not exceeding 3*d.* per 1,000*l.* for the 1st class, 2*d.* per 500*l.* in the 2nd class, and 1*d.* per 300*l.* in the 3rd class, for the journey."—(Sir *H. Selwin-Ibbetson*).—Question put, That those words be there added.—The Committee divided:

Ayes, 6.	Noes, 4.
Mr. Davison.	Mr. Denison.
Sir H. Selwin-Ibbetson.	Mr. Plunket.
Mr. Mowbray.	Mr. Reed.
Mr. Price.	Mr. Sclater-Booth.
Mr. Sherriff.	
Mr. Winn.	

Paragraph, as amended, *agreed to.*

Paragraphs 21, 22, 23, 24, *disagreed to.*

Postponed paragraph 15, *agreed to.*

Postponed paragraphs 16 and 17, *agreed to.*

Postponed paragraph 18.—Amendment made.

Another Amendment proposed, at the end of the paragraph, to add the words, "And that provision should be made to enable railway companies to establish workmen's trains, without the necessity of applying to Parliament for the purpose"—(*The Chairman*).—Question, That those words be there added.—The Committee divided:

Ayes, 6.	Noes, 3.
Mr. Davison.	Sir H. Selwin-Ibbetson.
Mr. Denison.	Mr. Reed.
Mr. Mowbray.	Mr. Winn.
Mr. Price.	
Mr. Sclater-Booth.	
Mr. Sherriff.	

Paragraph, as amended, *agreed to.*

Paragraph 25.—Amendment proposed, after the word "received," to insert the word "strong"

"strong"—(Sir *H. Selwin-Ibbetson*).—Question put, That the word "strong" be there inserted.—The Committee divided:

Ayes, 4.	Noes, 4.
Mr. Davison.	Mr. Denison.
Sir H. Selwin-Ibbetson.	Mr. Mowbray.
Mr. Sherriff.	Mr. Price.
Mr. Winn.	Mr. Sclater-Booth.

Whereupon the Chairman declared himself with the Noes.

Amendments made.

Paragraph, as amended, *agreed to.*

Paragraph 26, amended, and *agreed to.*

Question, That the Draft Report, as amended, be the Report of the Committee to the House, put, and *agreed to.*

Ordered, To Report.

EXPENSES OF WITNESSES.

Name of Witness.	Profession or Condition.	From whence Summoned.	Number of Days Absent from Home, under Orders of Committee.	Expenses of Journey to London and back.	Allowance during Absence from Home.	Total Expenses allowed to Witness.
				£. s. d.	£. s. d.	£. s. d.
Mr. George Pattison Elderton	Working man -	Walthamstow -	1	- 1 -	- 5 -	- 6 -
Mr. Henry Blackmore - -	Superintendent, Lancashire and Yorkshire Railway Company.	Manchester -	3	2 5 -	3 3 -	5 8 -
					Total - - - £.	5 14 -

LIST OF WITNESSES.

Monday, 13*th June* 1870.

Mr. James Blenkinsop - - - - - - - - - - - - 1
Mr. Henry Oakley - - - - - - - - - - - - 14
Captain William O'Brien - - - - - - - - - - - 21

Thursday, 16*th June* 1870.

Captain William O'Brien - - - - - - - - - - - 29
Mr. Robert Stanley Mansel - - - - - - - - - - - 33
Mr. James Allport - - - - - - - - - - - - 36

Monday, 20*th June* 1870.

Sir Samuel Martin, Knight, and Sir George William W. Bramwell, Knight - 53
Sir Edward William Watkin - - - - - - - - - - - 65
Mr. Samuel Laing - - - - - - - - - - - - 73

Thursday, 23*rd June* 1870.

Mr. Joseph Brown, Q.C., F.G.S. - - - - - - - - - - 81
Mr. James Staats Forbes - - - - - - - - - - - 88
Mr. Samuel Lack Mason - - - - - - - - - - - 104

Monday, 27*th June* 1870.

Mr. Oliver Pemberton - - - - - - - - - - - - 110
Colonel William Yolland - - - - - - - - - - - 115
Sir James Hannen - - - - - - - - - - - - 126
Mr. William John Vian - - - - - - - - - - - 129
Captain Henry Whatley Tyler - - - - - - - - - - 132

Thursday, 30*th June* 1870.

Captain Henry Whatley Tyler - - - - - - - - - - 137
Mr. Charles Shapland Whitmore, Q.C. - - - - - - - - - 145
Mr. James Grierson - - - - - - - - - - - 147
Mr. Cornelius Willes Eborall - - - - - - - - - - 156

Monday, 4*th July* 1870.

Sir James Shaw Willes - - - - - - - - - - - - 160
Mr. George Pattison Elderton - - - - - - - - - - 167
Mr. Frederick Rose - - - - - - - - - - - - 171
Mr. Henry Blackmore - - - - - - - - - - - - 174
Mr. John Peake Knight - - - - - - - - - - - - 176

REFORM CLUB
PALL MALL

MINUTES OF EVIDENCE.

Monday, 13th June 1870.

MEMBERS PRESENT:

Mr. Dalglish.
Mr. Davison.
Mr. Denison.
Mr. Headlam.
Mr. Mowbray.
Mr. Hinde Palmer.
Mr. Price.
Mr. Charles Reed.
Mr. Sclater-Booth.
Sir Henry Selwin-Ibbetson.
Mr. Sherriff.

THE RIGHT HONOURABLE T. C. HEADLAM, IN THE CHAIR.

Mr. JAMES BLENKINSOP, called in; and Examined.

Mr. *Blenkinsop.*
13 June 1870.

1. *Chairman.*] YOU are Solicitor, are you not, to the London and North Western Railway Company?—I am.

2. How long have you acted in that capacity?—I have been connected with the London and North Western Company all my life, either as clerk to their solicitor or as partner to their solicitor. I have been 33 years in fact connected with the London and North Western Company.

3. Do you recollect the state of the law before Lord Campbell's Act?—Yes.

4. Can you tell the Committee what were the circumstances which gave rise to Lord Campbell's Act?—It was an anomaly that you might kill a man outright altogether and would not be liable for compensation, but if you injured him, that is, if you half killed him, you were liable for compensation, that was the broad distinction.

5. The practical effect of Lord Campbell's Act was that it did away with the common law doctrine, "*actio personalis moritur cum personâ*"?—Yes.

6. But it had no other effect?—I think not; that was the main distinction.

7. Was that Act called into existence with respect to railways especially?—My impression is that it was railway accidents that brought the thing prominently before the public.

8. Can you speak of that within your own knowledge?—I cannot say positively, because nobody knows what was in Lord Campbell's mind, but I think railway accidents brought the anomaly which existed prominently before the public mind, namely, that if you killed a passenger you would not be liable at all, but if you broke his leg you would be liable.

9. Will you explain to the Committee the practical working of the present law?—I had better mention at the outset that I represent not merely the London and North Western Company, but, I think, all the companies, with the exception of the Sheffield Company, north of the Thames, which form a railway association, of which I am the honorary solicitor. I, therefore, speak for all the large companies north of the Thames (with the exception of the Sheffield Company and the Great Eastern Company); and for the Scotch companies also, or at least the main companies, the North British, the Glasgow and South Western, and the Caledonian. I am honorary solicitor to the association, and in the evidence that I am going to give (of course without pledging them to the details of what I may state) that they authorise me to give the substance of that evidence. I do not represent the metropolitan railways. The experience which I have had of the working of the existing system is, in the first instance, that juries have given very excessive damages. Where a passenger is injured they are led away very much by their feelings, and they have given very excessive damages in many cases to my knowledge, and their feelings are worked upon a great deal by the passenger being produced in court. What is called a kind of sensation scene is almost always got up; the man is brought into court very ill, and, of course, if he is injured, and appears very ill, it so works upon the feelings of juries that judges have great difficulty in restraining them from giving very excessive damages. I may state in connection with that, that there is a class now grown up of medical men, and I am sorry to say also a class of my own profession, attorneys, who lay themselves out for those compensation cases. They work up the case to fleece the railway companies; and, also, the same class of men, I am bound

Mr. *Blenkinsop.*

13 June 1870.

bound to say, have also taken money from their clients which, probably, they ought not to have done; that is to say, the whole of the compensation very rarely gets into the pocket of the passenger. I can give the Committee just a few instances of the cases which have happened. The class of cases which we have most difficulty to deal with are what are called nervous shocks; that is to say, a man gets a knock, and what is called a nervous shock, and he says that he feels so-and-so to the medical attendant, and it is utterly impossible, of course, to contradict him. The man says he has a particular pain internally, or he describes his feelings about the injury, and the doctors have told me that it is utterly impossible for them to say whether it is true or not, so that we are very much at the mercy of the passenger who has received those nervous shocks; and the result has been that we have frequently had to pay very large compensation indeed. In one case we paid 3,500 *l.* to a gentleman who had received a nervous shock, and I am told that he has got practically better, and is doing his work again, although it was supposed that he never would get better, and would be unable to do his work any more. I had another case where a commercial traveller (and that was one of the scenes in court) was brought in upon a litter, and he got first of all 2,000 *l.* against us, which the judge reduced to 1,500 *l.* In about 12 months he was at work again, and in about two years afterwards he was unfortunately injured again, and he got 1,500 *l.* more. That was a case, as I have said, of a commercial traveller, and he is now at work. There is a recent case of a gentleman who was supposed to be so seriously injured that he became almost insane, and was supposed to be in an asylum; he got 1,500 *l.*, and I believe now is entirely restored to health. There is a class of cases with respect to which we have been very much, I will not say fleeced, but we have had a good deal of money to pay to Post Office clerks; they are very liable of course to accident; they stand up in the Post Office vans, and a very slight accident will throw them down, and they are very liable to get injured; but, certainly, we have had an immense amount of money to pay to Post Office clerks, and we have a strong impression that the claims have been very much exaggerated; indeed, I had recently a case where a man was supposed to be injured in his spine, and he got 1,600 *l.*, but I think in about three months he was back again to work. A very recent case, indeed, which brings us to another point about the principle of compensation, was that of a young clergyman, who was undoubtedly very badly hurt; he was then getting 250 *l.* a year, and the jury gave him what we thought a very extravagant sum, namely, 5,250 *l.*; they gave him the fee simple for ever of his salary; that is to say, the interest upon the 5,250 *l.* would be the amount of his salary, and they actually gave him the fee simple of his then income for ever. When we applied to the court it was laid down broadly, you must look to the future prospects of a man; this young clergyman might be a bishop, in the same way as they say a young barrister may be a judge, and so on, and therefore it is not merely the present income, but in this case they actually gave those large excessive damages, 5,250 *l.*, and the court would not disturb it. There are cases of fraud which I do not know that we need go into it; but there is one case which I had under my hand the other day of a man who said he was injured, and he deceived our doctors, for they thought he was injured, and he alleged that he was at the Abergele accident in Wales. I had as nearly as possible given him 1,000 *l.*; but in looking over some letters that I got hold of I thought there was some suspicion about the matter, and I followed it up, and I found that the man had never been at the accident at all. I prosecuted him, and I got evidence against him, and got him 18 months' imprisonment. I proved in fact that it was a conspiracy. Another man gave evidence that he was there; but we brought evidence to show to the contrary, and ultimately we succeeded in getting sufficient evidence to convict the man, and to prove that he was not there at all.

10. You prosecuted him, I presume, for endeavouring to obtain money by false pretences?—Yes; those cases arise on the London and North Western, and the other managers that will come will give the Committee instances on their own railways; Mr. Allport for the Midland, for instance, and they have all got a very large list of very important cases to show excessive damages undoubtedly, if not fraud, and my impression is that it goes very nearly to fraud in many cases.

11. When you speak of excessive damages, on what principle, in point of fact, are the damages calculated, or are they calculated upon any principle at all?—There is really no principle; with juries you are never certain; some juries in some towns, for we have cases all over the country, will give much higher damages than juries in other towns under the same circumstances.

12. Do the damages depend upon the degree of the fault of the company, or upon the degree of injuries to the person affected?—I think it is the injury to the person solely, for, as a rule, we generally admit the liability, and therefore it is not very often that the details of the accident are gone into very much.

13. Would you admit your liability, supposing it was an accident over which you can scarcely be said to have any power or control whatever?—The only cases that we have fought have been cases of this description, such as the breaking of an axle, an internal flaw in the axle which could not by any prudence be discovered. I have fought cases of that sort and succeeded; but the fact is, if your servant has mistaken a signal, or anything of that sort, you are clearly liable, and we admit the liability at once.

14. Supposing a flash of lightning struck a train, you would not admit your liability, would you?—No, of course we are not liable for that; and we have fought cases of snow; that is also an exception where there has been an accident by a heavy snow storm.

15. If there be an accident to a person within your premises independently of the train, and the person not travelling on a train, would you admit the liability under those circumstances?—We have had to pay frequently for a passenger stumbling on a platform and getting injured, though he ought not to have stumbled at all. Supposing a barrow happened to be standing in a station and he tumbled over the barrow, we have been held liable, because they say we ought not to have had it in the way; and sometimes they make us liable at the stations because there is not sufficient light, and so on; so that we are liable inside our premises though the passenger may not be travelling.

16. The

16. The liability has been enforced upon you, has it not, in many cases?—Yes.

17. When a liability of that kind once is established, then the amount of damages depends simply upon the circumstances of the person affected?—Simply upon the injury to the person. In fact, there are scarcely two cases alike; it depends upon what a man is, what his station in life is, what his income is, and so on; there are scarcely two cases alike as regards the amount of damages.

18. Supposing a man in receipt of a very large life income, dependent upon his exertions, received an injury to the extent of preventing him making his income, what would be the principle which the judges would lay down with reference to the amount of damages?—That depends upon what judge is trying the cause; I do not think that the judges as a rule, have laid down any principle as to the amount; I think they say you must take the circumstances of the case into your consideration, and give the claimant reasonable damages; he was earning so much, and he may get better, or he may not get better, just according to the case, and you must take all the facts into your consideration, and award him reasonable damages; I believe that is about the sum and substance of most charges to juries.

19. I think you said that some of those legal practitioners take money from their clients?—There are bad cases of that sort; of course I cannot give the details of that kind of thing, but I know cases where a class of low attorneys have not merely got money out of us for compensation, but taken a good share of it for themselves, besides making us pay the taxed costs.

20. Do those attorneys, whoever they may be, themselves communicate with the party injured, or do the parties injured seek them?—The moment an accident happens, there are a certain class of attorneys who go touting for the work.

21. By whom are those cases tried; are they tried before the judges of the land chiefly—Yes, always except when we admit our liability, it may go to the sheriff or the under sheriff, to assess the damages merely, but as a rule those cases are tried I think, before the judges of the land.

22. Is there any difference in the law with respect to railway companies, and to other bodies of a similar description?—No; but I think Lord Campbell's Act made a distinction in this way, that he lays down who shall recover, and I think you will find by clause 5 of 9 & 10 Vict. c. 93, it says, "The word parent shall include father and mother, and grandfather and grandmother, and stepfather and stepmother; and the word child shall include son and daughter, and grandson and granddaughter, and stepson and stepdaughter."

23. Lord Campbell's Act affects all bodies equally in that way; it does not apply to railway companies specially; it does away with the general principle of common law, that a personal action could not lie after the death of the person injured?—That is so; that is the great distinction; in fact, it puts me in mind of the well-known anecdote told of the celebrated coach proprietor Bartholomew B——, who used to have coaches from London to Liverpool, when he heard of an accident; on their telling him who was killed, he used to say, "Bother the killed; how many are injured; never mind the killed;" he not being liable for the killed but for those that were injured; and it was that kind of feeling that brought about an alteration in the law.

24. Is there any difference in the law at the present moment with respect to a public company and a private individual; supposing the carriage of a private individual runs over somebody in the street, would the gentleman be liable in the same way as a railway company?—He would; but you find this in experience and practice, that in the case of a private individual, the jury always give very moderate damages indeed; in my opinion they never assess the damages to a private individual to the same extent as they do to a railway company, and, therefore, though the law is practically the same, that though you are liable for the negligence of your servant, though you are sitting at your own fireside, yet we find in practice that juries are very moderate indeed in the case of private individuals.

25. There must be many cases where omnibuses injure people?—Yes, in cases of omnibuses again the feeling creeps in of the company, and they give larger damages against an omnibus company than they do against a private individual, simply because they are a company, and are supposed to be powerful and rich.

26. Do you know the law with respect to shipping?—Not a great deal; I do know a little. There is a limitation of liability with regard to shipping; you are not liable beyond the value of the ship and the cargo to begin with, and there are very few actions, indeed I scarcely recollect one brought against a shipowner for the death of a passenger; it is generally brought about so much by the act of God; probably a storm or something of that sort; there are very few actions indeed, but there have been cases, and we have had to pay, I think, compensation for injuries. There was a running down case the other day, in going across the channel, in which the Board of Trade found that there was negligence on the part of the captain in not sounding, which he ought to have done, and we were obliged to pay; none of the passengers were killed, but some of them were slightly injured, and I think we had to pay for the goods that were injured.

27. You consider the risk to be unequal?—Yes; this is the reason why I think that the law is hard upon the railway companies; we are bound if a passenger tenders himself to carry him. We receive the fare from some two dozen, or probably three dozen men going from London to Liverpool, and there are not two of those men whose lives will be of the same value, and probably every man will differ in the value of his life; it depends a great deal upon whether he is married or not; a married man we have to pay more for; if we have the misfortune to kill a married man we have to compensate his family, than if he is a bachelor and has no relations within Lord Campbell's Act, we have to pay nothing at all. Therefore, although we get the same consideration for carrying a dozen individuals, the risk is entirely different for the same money; and I think in that respect the law is not fair. If a man is a valuable man and worth a great deal, if he is a rising young clergyman, or a rising young barrister, earning a large sum of money, the risk with him may perhaps be 10,000 *l.*, and I get 30 *s.* to carry him; whereas the risk of carrying another man may not be 1-50th part of that amount, and yet I get 30 *s.* from him. I say, therefore, that the present condition of things is

Mr. *Blenkinsop.*

13 June 1870.

not satisfactory, because the consideration does not bear any proportion to the risk.

28. You think that if a man should receive a larger sum he should pay a larger fare?—I was going to explain the Bill which I have prepared; I would say this, that we should be liable up to a certain amount for an injury, and that the passengers should have the right to compel the railway companies, on payment of a moderate premium, to ensure them. We propose the limit to be 500 *l.*, first class; 300 *l.*, second class; 200 *l.*, third class; and the insurance 3,000 *l.*, first class; 2,000 *l.*, second class; and 1,000 *l.*, third class; but we are not, of course, wedded to the amounts. But, as regards insurance, you will find that there is some difficulty with all insurance companies in having more than a certain amount; they do not like an unlimited risk, but up to 3,000 *l.*, or any other reasonable sum, the railway companies are prepared to have a compulsory clause put upon them to insure any passenger who wishes it, upon payment of a moderate sum.

29. Of course, that would be contingent upon death or accident?—Yes, death or accident; of course, in the case of death the minimum would be absolute, and we should pay it at once; and, in case of injury, it would be dependent upon the amount of injury.

30. Of course, at present the sum paid does not depend at all upon the amount paid for the ticket?—Not the slightest.

31. Nor does it depend upon whether the passenger is first, second, or third class?—Not the slightest, except so far as it is an indication of the station in life; but I may observe that, probably, we pay more for third class-passengers than for any other class, as a rule. Perhaps I may be allowed to mention a striking case where the consideration was inadequate to the risk. It was a case which occurred on the North London line, where I know that the proportion of the fare to the North London line was less than one penny, and yet they had to pay 2,300 *l.* compensation. That is an extreme case, but it is a striking case, to show that there is no relation between the consideration and the risk of carrying passengers.

32. Supposing a person got into a station, and stumbled, before he could get his ticket, the company would have to pay, though they did not even get the three-fourths of a penny, would they not?—That would depend upon whether he was inside the station, or whether we had been negligent inside our station, by having anything improperly in the way; of course, if he stumbled from his own fault we are not liable.

33. With respect to the Carriers' Act, what is the state of the law?—The Carriers' Act is a very well known Act about merchandise, which lays down the principle that we are contending for, namely, that for valuable articles, gold, silver, china, and other valuable articles; companies are not liable if they exceed the value of 10 *l.*, unless they are insured; it is very much the principle that we are contending for, that whenever valuable merchandise is to be carried the companies are not liable unless the party insures; and I think the companies are bound to insure if asked.

34. That is the principle of the Carriers' Act, that they are liable for a small amount without notice, and are liable for a larger amount upon the payment of an insurance fee, and it is compulsory upon the company to accept the insurance?—Yes, they are bound by the Act to take it.

35. There is an Act, is there not, with regard to horses, and cattle, and sheep?—Yes, that is an Act which commonly goes by the name of Cardwell's Act; it was passed by Mr. Cardwell about the year 1854, and there we got a limitation as regards horses; I think it is 50 *l.*; that whatever the value of the horse might be we are not liable for more than 50 *l.*, and then, I think, as regards cattle the limitation is 15 *l.* a head, and sheep, I think, 2 *l.* a head; there again, following pretty much the principle of the Carriers' Act, and you can insure cattle in the same way beyond 50 *l.*

36. Under this Act if you destroy the winner of the Derby you would not be liable for more than 50 *l.*?—That is so; it is much the same principle as we are contending for under the Carriers' Act. There is a special provision which I ought to call the attention of the Committee to as a matter of fairness. You will find a special clause in Mr. Cardwell's Act, that you will be liable, unless you get the man to sign what is called a risk note, that is, unless he makes a contract with you, which you get done whenever you can, but that has led to a great deal of litigation. The question is, whether the conditions of the contract are reasonable or not. The judges have had several cases upon the conditions whether they are reasonable or not; but the Act admits the principle which I am contending for, namely, that valuable articles, worth more than a certain amount, should be insured, and that companies are not liable beyond the limit of that Act, unless they are insured. It is the same principle as that of the old Carriers' Act applied to cattle, instead of goods, and we now wish to get a step further, and to apply it to human beings.

37. Now, about workmen's trains; what have you to state with regard to them?—There is a limit of liability already admitted in the case of workmen's trains in two or three Metropolitan companies. If you run workmen's trains at low fares, at certain times, you are not liable beyond 100 *l.* They have admitted the limitation of liability in those cases. I think the companies that have got the limit are the Metropolitan, the Metropolitan District, the London, Chatham, and Dover, and, I think, the North London, under their private Acts. I think the London, Chatham, and Dover Company put clauses in voluntarily; but, in the case of the other companies, I think they were got in at the instance of the Board of Trade; and the companies got that limitation put in on the condition that they ran those cheap trains.

38. It was a stipulation between the companies on the one side, and the Board of Trade on the other?—I think so; I think that the London, Chatham, and Dover Company volunteered in their Act to run workmen's trains.

39. Then they had given to them the limitation of their liability?—Yes.

40. Mr. *Davison.*] It was owing, was it not, to the large displacement of the poorer classes of the population by the Bill in which that stipulation was first put?—Yes, that was the reason of workmen's trains being run, no doubt.

41. Mr. *Reed.*] I think you said that you do not represent the Metropolitan lines here?—I do not.

42. *Chairman.*] Can you tell us what the American law upon that subject is?—I do not profess

profess to have any intimate knowledge of it, but I believe that in some of the States of America there is a limitation of liability in the case of passengers, and I believe in New York there is such a limit. I believe the limit to be 5,000 dollars, which is practically 1,000 *l.*; and I think in Massachusetts too there is a limit.

43. Are there many cases in America of a similar description to what occur here?—Yes, I think there is just the same amount of accidents on American railways, and they are of the same kind. There is a distinction on the Continent. I think there is no limitation of liability on the Continent by law, but there is this practical limitation, that the cases on the Continent I believe are all tried by judges without juries, and therefore much more moderate damages are given on the Continent than in England.

44. Have you any information to give the Committee about the American law?—I got it from a case that I had before the court. My authority for it I may mention at once, is Mr. Vernon Harcourt; he was arguing the question before the Court of Queen's Bench for me the other day, and in his argument he said, "In America the necessity of so dealing with it has been so strongly felt that in most, I do not know whether in all the States, they have fixed that the amount recovered shall not exceed 5,000 dollars; that is so in the State of New York and in Massachusetts."

45. You take that from Mr. Vernon Harcourt's argument?—Only from his authority, although I believe I have seen some American law books which would show it to be so.

46. What recommendations have been made by Royal Commissions upon the subject?—This was the final recommendation of the Royal Commission which sat in 1866 and 1867, and this is the conclusion that they came to about the compensation, at page 80 of their Report: "We therefore recommend, that on the one hand railway companies should be absolutely responsible for all injuries arising in the conveyance of passengers, except those due to their own negligence, and that, on the other hand, the liability of the railway companies be limited within a maximum amount of compensation for each class of fares; but that any passenger should be entitled to require from the company any additional amount of insurance he may desire, on paying for it according to a fixed tariff. To prevent the frauds which appear to have arisen upon the railway companies under the present law, we further recommend that claims for compensation should not be admitted unless made within a certain period, and that the railway companies should have the right of medical examination of the claimant." In fact, the proposal which I have been just stating to the Committee, of limiting the liability with compulsory insurance, is based upon that report of the Royal Commission.

47. Was that recommendation unanimously agreed to?—I think Mr. Monsell dissented and made a separate report. I do not know whether he dissented from this particular thing, but he did generally. I can tell the Committee the names of the Royal Commissioners who signed this recommendation: they were the Duke of Devonshire, the Earl of Belmore, Mr. Leveson Gower, Mr. Lowe, Mr. Horsfall, the Member for Liverpool, Mr. Dalglish, Mr. G. Carr Glynn, Mr. Ayrton, Captain Galton, Mr. Hamilton, and Mr. M'Clean. I think the only dissentient was Mr. Monsell.

48. And, as far as you know, he does not dissent from that principle?—No, I think he seems rather to want some lower rates and fares, if I recollect, and confined to Irish railways. You will find that Sir Rowland Hill made a separate report too; but he did not, I believe, dissent from the report upon railway compensation, but agreed to it.

49. Have you anything to observe upon the charges given by any of the judges?—I believe that some of the judges have expressed, in cases which they have been trying, an opinion in favour of limitation; in fact, in that very case of the young clergyman, where they gave such excessive damages and which was my own case, the Lord Chief Justice of the Queen's Bench was strongly against us, and would not alter the verdict; but Mr. Justice Mellor (and I will read this extract from his judgment) said, "With reference to whether or not it is reasonable that the Legislature should interfere, I confess I do not altogether think they ought not; I think they ought, but then it is only upon this principle: Mr. Harcourt has said that in the present state of things railway companies may run the risk for the same fare of having to pay 100,000 *l.* or 100 *l.* I agree that it is a hardship to a certain extent; I think if there was a limitation such as those referred to, and which have been enacted in the various States of America, with this, that the railway company or the Legislature should fix upon some average sum to be paid to a person in case of accident without a declaration, as in the case of horses and other things that have been referred to, and that unless a particular declaration is made to show how much the risk is increased, they should be bound to recover only and be satisfied with a certain sum. Now, it appears to me that the principle might be applied, but that is a matter entirely for the consideration of the Legislature, accompanied with the power to the individual who is not content with the statutory limit to require the company to ensure him for a larger sum. Whether that will ever be the case or not I do not know, but certainly I have often thought there might be introduced, wisely to some extent, such a rule as that. That is a matter purely for the Legislature, and not for us. We are here to judge of a question which is within our discretion; it is, therefore, impossible for me to say in this case that there ought to be a new trial." Then Mr. Justice Hannen said, "I am also of the same opinion, and I would only add that I entirely concur with the observations made by my brother Mellor as to the reasonableness of limiting railway companies with reference to their liability; that is, of course, a matter for the Legislature." That is in a very recent case, in November last year.

50. Would you suggest any alteration in the form of the jurisdiction?—The question of jurisdiction is a very difficult question; but if the amount was limited to the sums that we mention, or any moderate sum, I do not see at all why there should not be some summary process for the passengers to recover the money from us. The companies that I represent would not object to leave the cases of compensation, for instance to the county court judges. If you leave them to the judge without a jury we should be content, and they might have the administration of

Mr. *Blenkinsop.*

13 June 1870.

the law in each county. We should not object to a medical arbitration (if it was considered a fair thing) at the request of either party; I mean that where it is purely a question to what extent a man is injured, and it depends entirely upon medical testimony and medical testimony solely. We think that it would not be an unreasonable thing to the parties and to the company to have a medical arbitration in those cases if either party so requested it; but we do not object to the county court judges. Probably it would facilitate the recovery of the money, and do away, to a great extent, with the practice of that class of attorneys, of whom I have been speaking, of taking money from their clients improperly. I think, probably, it would prevent that class of cases if there was a summary remedy by going to the county court judges.

51. There is a separate report, I see, by Sir Rowland Hill of the Post Office, and I observe that he says that his views accord generally with those of the majority of the Commissioners upon the subject of compensation; that is the case, is it not?—Yes, that is so; and you will see there is this passage, as to compensation for injury on insurance: "Under this head I am happy to say my views accord generally with those of the majority of the Commissioners." That is as regards railway compensation.

52. As far as you know, there is no dissent on the part of any of the Commissioners in their Report with reference to that recommendation?—I am not sure about Mr. Monsell; but I am not aware of any.

53. Will you tell us what sum you would suggest as the limitation of liability?—I would just tell the Committee that the Railway Association, of which I am honorary solicitor, instructed me to prepare a Bill, which we intended to introduce to the House of Commons, and indeed I think I did introduce a similar Bill into the House of Commons some four or five years ago, and I think it was lost on the second reading by a not very large majority; my impression is that it was something in the proportion of 80 to 60.

54. Who introduced the Bill?—The railway companies; in fact, I did it on their behalf.

55. What Member of the House of Commons introduced it?—Mr. Leeman introduced it.

56. It was not taken up by the Government, was it?—No; the Government opposed it, and that is the reason we lost it. This is a somewhat similar Bill that we have prepared this year, and we propose to limit the liability in the way I have stated by compulsory insurance. The minimum amount that we should like to have the limit at would be, we thought, first class 500 *l.*, second class 300 *l.*, and third class 200 *l.*, with compulsory insurance against us; a first-class passenger could be insured for 1,000 *l.* for 3 *d.*, for 2,000 *l.* for 6 *d.*, and for 3,000 *l.* for 9 *d.*; at the last meeting of the railway companies they were all prepared, I think, to insure up to, as I mention 3,000 *l.* first class, for 3 *d.* per 1,000 *l.*

57. Does that depend at all upon the length of the journey?—We discussed that question, and there is great difficulty about it; you will see in a moment that there is very considerable difficulty; some of the Railway Association thought that there should be some sliding scale, say, so much up to 50 miles, so much up to 100, so much up to 150, and so much up to 200; but after a long discussion we thought it would be very complicated, and we did not quite see our way to meet it, but we are not wedded to any particular view.

58. Your Bill says, "for any distance which a man goes over by one ticket"?—Yes, and also for short-fare omnibus traffic; a man travelling every day, we should issue an annual insurance ticket for a small sum; we are quite willing to become an insurance company, and for 20 *s.* to give an annual insurance of 1,000 *l.*

59. How are your suggestions in amount, as compared with the premiums charged by the Accidental Insurance Company?—I think they are the same, but I have seen the Accidental Insurance Company, and they do not much like taking so high a risk; they would not certainly go beyond 3,000 *l.*; I pressed them and said, "Why can you not insure for 5,000 *l*," and they said, "We do not like taking such a risk as that, it is too much."

60. Mr. *Reed.*] You would start an insurance company, and make everybody subscribe?—When a passenger got his ticket, if he chose to ask for an insurance, we would give it to him, and the passenger would have to pay this moderate insurance of 3 *d.* per 1,000 *l.*

61. Mr. *Mowbray.*] In reality the company would have no liability whatever?—Yes, we would be absolutely liable as regards a first-class passenger for 500 *l.* in case of death, 300 *l.* for a second-class passenger, and 200 *l.* for a third-class passenger, and we should be bound to insure a passenger if he wishes to be insured for 3 *d.* per 1,000 *l.* up to 3,000 *l.* first class, 2,000 *l.* second, and 1,000 *l.* third.

62. *Chairman.*] The rates of premium being 3 *d.* per 1,000 *l.* in each of the cases?—Yes. The Bill which we have prepared contains some other things, but you will find it in the schedule.

63. Sir *H. Selwin-Ibbetson.*] Are you prepared to speak as to the management of the London and North Western Railway?—No; you will have an opportunity I believe of hearing the general manager, but not to-day, for he is not able to come, but he will be here as a witness; I do not know much about the management.

64. You are only prepared to speak upon the points which have been mentioned in your examination in chief?—Yes, that is all; you will observe I am the solicitor to the company.

65. In your present mode of the treatment of accidents you rely very much upon the medical evidence of your own people, do you not?—Yes, of course we are obliged to do that; but, as I have explained to the Committee, our doctor comes to me repeatedly, and when I ask him what is the amount of injury, he says, I cannot tell, I cannot find beyond what the man tells me, that he feels certain pains, and that he has had some nervous shock, but I cannot test it.

66. But you complained in your evidence, I think, that the companies were liable to the medical evidence being prejudiced against them; who gets up the cases?—There are a class of doctors now who lay themselves out for giving evidence on those railway compensation cases.

67. But your own medical evidence, contradicting it, would be received by the jury, would it not?—I am sorry to say that, where there is any doubt, they always give it against the railway companies; supposing you go to a jury in a railway case, there are two sets of witnesses, and they invariably decide against the railway company's witnesses.

68. There would be still trials before a jury necessary

necessary if the law remained as it is at present, even if your Bill passed, because, in all cases of injury, the amount of damages for that injury would have to be decided by a jury, would it not?—That would be so; it would be only cases of death that there would be no action about. In cases of injury, if there is a difference of opinion, it would still have to be decided by some tribunal; and what I propose is, that the county court judges should decide it, or a medical arbitration.

69. Otherwise, unless some alteration in the law took place, people would be liable to just the same amount of trouble and expense with regard to the trial as they are at present?—There would be, probably, this qualification, that when the amount is limited to those small sums, I think the railway companies would probably settle the great bulk of them. It would not be such a wide difference, when it is a question of limitation of 300 *l.*, for a second-class passenger; the chances are, that they would always settle, because it would be cheaper for us to do that than to go into court.

70. Practically, that is very much the case at the present moment, is it not?—Yes, but when it comes to be a large amount, there is such a large difference now, one medical man may say 5,000 *l.*, another may say 1,000 *l.*, and then we are obliged to go into court; but that would not happen, I think, with a limitation of liability, because the amounts are so small.

71. The companies consider that a limitation according to this scale of 500 *l.*, 300 *l.*, and 200 *l.* in case of death ought to cover entirely their liability?—We think so.

72. Whatever may be the position of the person travelling?—I think so, if we are bound to insure him, if he is a valuable life, and, therefore, more risky to carry.

73. That is to say, a man who considered himself worth more than 500 *l.*, would have to pay a larger fare for his journey?—Yes, he would have to pay 3 *d.* per 1,000 *l.*

74. At present those verdicts of juries in compensation for accidents are the only protection that the public have as against irresponsible management on the part of the directors?—No; I believe myself that the element of compensation has very little, indeed, to do in the minds of directors. What is a far larger question to them is, whether the public will come and travel by their railway, and also the injury to their stock in the case of an accident, with the very fact of an accident on the London and North Western, the company may lose ten times the amount than regards compensation, because people get timid and frightened; and there are competitors to every place, and the people would go by those competitors; so that they have every motive to prevent accidents.

75. Practically, you have the whole travelling system of that part of the country in your own hands, and, therefore, the public who must travel are obliged to go by you, are they not?—No, on the contrary, there is not a town in England now of any importance which has not competition against the London and North Western. The Midland go everywhere to the same places; there are two routes to Scotland, there are two routes to Liverpool, Manchester, Birmingham, and all South Wales; in fact, there is not a single town of importance where there are not two lines.

76. Do you think that there is sufficient inducement to oblige directors for their own interest to conduct their lines as free as possible from accidents, even if you take away the additional weight of compensation?—I do; I say again that I am certain from my experience of the London and North Western Board that the compensation for accidents does not make them at all more careful; the fact is that you increase your passenger traffic by making the line safe and working it well, and that is the important consideration for them, not the sum paid in compensation.

77. That is in direct contradiction to statements made upon the subject in the House of Commons in which railways were defended, and it was said that this question of compensation was quite sufficient to ensure the proper working of the lines by the companies?—I have heard that stated in the House of Commons repeatedly, but in my judgment very erroneously, because I am quite sure that there is a higher question, namely, safety to the line and prosperity in their trade, which is far more important than the question of compensation.

78. Mr. *Sclater-Booth.*] You stated in the outset of your examination that judges have a difficulty in restraining juries from giving excessive damages, do you think that you may say that of the judges generally?—Of course I must not mention the judges by name, but there are some judges who are led away by their feelings along with juries, where very excessive damages are given; there are another set of judges who do what you have just mentioned, namely, they do all they can to keep juries moderate.

79. It is very well known, I suppose, where judges have a propensity on one side or the other?—I think so.

80. You stated that you have particular difficulty in dealing with post office clerks; do you find that the post office clerks are assisted by the Government authorities, that is to say, the solicitor of the Post Office in prosecuting their claims?—I think not; I think in my experience the solicitor of the Post Office has always given me every fair information when he properly could.

81. And the medical officer of the Post Office likewise?—I should not like to express an opinion with regard to him.

82. They have a paid medical officer, have they not?—Yes.

83. You would take it that such a thing was never heard of till recent years as compensation being asked for by parties, or by their representatives, not as compensation for the accident done, but as compensation for the loss of emolument which might hereafter be acquired by the parties; that is a new principle, is it not?—That is rather a new doctrine; hitherto, we have always considered that the man's present position was the proper criterion; it is a new element that has sprung up, and it is likely to be very serious indeed to us, because it may be said that a clergyman may become a bishop.

84. In point of fact, the liabilities of railway companies towards the passengers they carry have never been considered as a question deserving attention upon its separate merits as differing altogether from the ordinary liability of masters for the acts of their servants as regards outsiders, for instance?—It differs essentially in amount, for the reason I have given you, that in the case of a private individual, juries are always very

Mr. *Blenkinsop.*

13 June 1870.

moderate indeed, but in the case of railway companies they are very immoderate.

85. But there is this distinction, is there not, that a gentleman's carriage driving over a person in the street, drives over a stranger, a person with whom he had no contract existing, whereas a railway company causing an accident to a passenger is causing an accident to a person with regard to whom there is some special responsibility?—There is a difference no doubt; in the one case there is a contract to carry safely, and in the other there is not.

86. In cases of contracts to carry goods, and in cases of contracts to carry persons, there is a limitation by law now established?—As regards merchandise and cattle, it is so.

87. But the question as between the carrying company and the passenger has never been considered in that point of view?—No; not with the exception of the workmen's trains that I have mentioned.

88. When you propose in your Bill to charge 3 *d.* per 1,000 *l.* for insurance, is that calculation based upon the hypothesis that everybody will insure, or that nobody will insure?—It is arrived at as well as we can; we do not know to what extent the insurance would be, whether people would insure or not; we fancy that probably one-half might insure, but it is a mere guess, and we wish to put it moderately. I know that the Accidental Insurance Company will not insure at those prices, and therefore we shall have to do it ourselves. They want a much higher figure. We wished them to take the risk, and we would give them the premiums, but they declined two three years ago to take the risk.

89. Do not you think it is probable that they will oppose your Bill in Parliament?—I think not; at least I have had no intimation of it.

90. Mr. *Denison.*] Have you any statistics to hand in to the Committee of the number of accidents and the amount of compensation?—No, I have not; bnt I may mention generally as regards the London and North Western Company, that last year, 1869, we paid for compensation, 73,000 *l.*

91. That was including the Abergele accident, was it not?—Yes; but I am sorry to say it is not much above the average.

92. You are not prepared at this time with statistics?—Except for that one year.

93. If the Committee desired them, could you get them out?—Yes.

94. What per-centage of your net revenue does the compensation amount to on your line; we know that on the general lines in the kingdom it amounts to something like 2 per cent.?—I think our net revenue for the year 1869 would be 2½ million pounds, and we paid 73,000 *l.*; that will give the figure.

95. Mr. *Sherriff.*] Is that an average year?—Yes, I think it is; the compensation varies from about 60,000 *l.* to about 80,000 *l.*

96. Mr. *Denison.*] Is that compensation for injuries, or does it include compensation for goods and merchandise?—Exclusive of merchandise; it is passenger compensation purely.

97. Can you tell the Committee what is the average cost of an ordinary action on both sides?—Of course it varies, but I would say from 150 *l.* to 200 *l.* each party, and occasionally much larger, but it will average about 150 *l.* to 200*l.* on each side.

98. As far as your experience goes, are the costs ordinarily awarded against railway companies, or not?—Invariably, for this reason, that if a passenger recovers 5 *l.* he gets his costs; we have always the costs to pay.

99. Have you been in the habit of depositing what you consider a fair compensation in court?—I have, for the express purpose of trying to save the costs, frequently paid money into court, but from long experience I find the jury invariably give more than I pay into court; they merely take that as the starting point, and therefore I have ceased in recent years, unless it is a very bad case, paying money into court.

100. Therefore the provision of the law, which allows the defendants to deposit the amount in court, is no protection at all?—Not the slightest to railway companies.

101. Are not the costs often very much greater than the compensation claimed or given?—Yes; frequently the costs on both sides are larger than the amount of compensation.

102. And to that extent they are a direct inducement to the gentlemen whom you have spoken of to foster those cases?—Yes; no doubt the attorney is safe of getting his costs from the railway company.

103. Are not the fees of witnesses, both medical and others, very much larger in those railway compensation cases than they are in ordinary cases?—Yes, they are; the medical gentlemen that I am alluding to have made professional witnesses of themselves, and will not come and give evidence unless they are paid a very much higher fee than you generally pay medical men. They charge very large sums. I may mention, that although the railway companies are protected by taxation, and do not pay the whole of the medical witnesses expenses, and the court will not allow them to charge beyond a certain sum, the passenger has to pay those very heavy fees above the taxed costs.

104. With regard to the evidence of medical witnesses, are not the medical witnesses of railway companies at a great disadvantage as compared with the plaintiffs' witnesses?—Yes; where there are two classes of witnesses, one for the railway company and one for the claimant, of course the jury very naturally give way to their feelings and lean to the latter witnesses.

105. But they have not the right of personal examination, except by consent, have they?—I think they have now by a judge's order, by the Act of 1868. I may just mention that in that Act of 1868, though you can get a medical man to examine a person, yet you cannot call him as a witness.

106. Have you formed any opinion as to whether the amount of compensation yearly payable by railway companies does, in fact, act as a preventive against the lowering of fares; Sir Rowland Hill seems to be of this opinion, because he says, "It is obvious that all such payments, seeing that they increase the expenses of the company, must consequently tend to augment the fares charged to passengers"?—There is no doubt that to a certain extent that is so. As regards the London and North Western Company, I believe we are pretty much charging the maximum fares to passengers, because when the amalgamations took place we submitted to a very low class of fares, I believe to the lowest in the kingdom, and I think the Great Northern the same; I am not sure about the Midland; but when we got our Amalgamation Bills we submitted

mitted to a very low class of fares indeed, and we are therefore charging our maximum.

107. Have you, in considering the clauses of the Bill to which you have alluded, taken into consideration the objection which has been urged in the Report of the Royal Commission and in other places besides, that, "If the rich man's life is treated as more highly insured than that of the poor man, while his payment of fares is, conveniences equal, the same, the poor man must, in effect, help to pay the insurance of his richer fellow-passengers"?—That is not so; because what I propose to do is to let all classes insure, if they think fit, upon payment of a certain amount, 3 *d.* per 1,000 *l.*, and therefore a third-class passenger would insure his own life, but would not, of course, pay anything for the rich.

108. Mr. *Sherriff.*] Do you mean that a third-class passenger can insure his life for 3,000 *l.* if he choose?—We limit the third-class passenger to 1,000 *l.*, but we are not wedded to those figures; we propose them because we think 1,000 *l.* for third class, 2,000 *l.* for second class, and 3,000 *l.* for first class, would be a fair amount.

109. Mr. *Denison.*] Have you any knowledge to what extent passengers do insure now with the Accidental Assurance Company?—I have not; but you will have an opportunity, at all events, of hearing the evidence, I hope, of the medical man of the Accidental Insurance Company, and he will tell you. My present impression is that it is not increasing.

110. Have you reason to believe that, if there were the power of compulsory insurance, it would be very largely availed of?—I think that on long journeys it would, and also I think omnibus passengers, that is the short traffic, would probably take from us an annual ticket at 20 *s.*, or whatever the proper figure may be, and would insure annually. A passenger going a long journey would probably think it worth his while to insure if he was a valuable life.

111. Is it not quite possible that a general lowering of fares might amount to a very much larger sum than any amount you might receive for insurance?—I can hardly express an opinion upon that; I would rather that you would ask the managers of the companies.

112. Mr. *Davison.*] You gave an answer about Post Office clerks, to which I daresay you would like to add something; the Post Office arrange with you, do they not, that they should pay one-half of any sum recovered by the clerks?—Yes, that is so. The Post Office are under contract to carry the mails and pay half of the compensation.

113. As regards your statistics, you have given the amount which you paid in 1869; can you tell the Committee at all what proportion of those cases were tried?—I should think we settle at least three-fourths of the claims.

114. As regards those that you do not settle, are there not several courses; first, you need not plead; then it goes to the sheriff, and there is an inquiry made before a sheriff and a jury?—Yes.

115. Another course is that you should plead simply not guilty, and give notice that you do not mean to contest the negligence?—Yes, and that is the course we generally adopt.

116. Then it becomes a question of damages only?—Yes.

117. The other course is that you should plead not guilty, and stand at your guns as regards negligence?—Yes, but that is very unusual.

118. Notwithstanding all those courses, you still think you have not quite as good chances as private individuals have?—I think not. My experience is, and I am sure the honourable Member has a larger experience himself at the bar, and he probably knows as well as I do, that railway companies certainly have damages to a greater extent awarded against them than any other class of people.

119. Have you yourself known cases where an action has been going on in one court against a private individual, and in another against a railway company, in which the results of the inquiry were not very dissimilar, but there have been very dissimilar verdicts?—I cannot recollect that I have.

120. As regards the question of inspection, you have not found any difficulty, have you, in getting the medical inspection of any persons with whom you have to deal; but have you applied for it?—Not as a rule; they have generally permitted an examination without a judge's order.

121. Will you refer to the 26th section of the Railway Clauses Act of 1868, and does not that relate only to arbitrations?—"Whenever any person injured by an accident on a railway claims compensation on account of the injury, any judge of the court in which proceedings to recover such compensation are taken, or any person who by the consent of the parties or otherwise, has power to fix the amount of compensation, may order that the person injured be examined by some duly qualified medical practitioner named in the order, and not being a witness on either side, and may make such order with respect to the costs of such examination as he may think fit." I think the clause itself includes an action in the superior courts.

122. The 25th clause is that where a person has been injured or killed, the Board of Trade, on application made jointly by the company and the person, if he is injured, or his representatives if he is killed, may appoint an arbitrator?—Yes; that is clearly arbitration.

123. The next clause, the 26th, is: "Whenever any person injured by an accident on a railway claims compensation on account of the injury, any judge of the court in which proceedings to recover compensation are taken"?—That means an action.

124. "Or any person who, by the consent of the parties or otherwise, has power to fix the amount of compensation?"—That would mean the arbitrator.

125. "May order that the persons injured be examined by some duly qualified medical practitioner named in the order, and not being a witness on either side." That does not preclude him from being made a witness, does it?—It has been so held.

126. You find that of no practical use?—Of no practical use, but we have very rarely any difficulty in getting a medical examination.

127. But you do not set any great store upon this recommemdation, at page 81 of the Report of the Royal Commission, that there should be the right of medical examination, because you find you get it as a matter of course?—Very rarely; I have had perhaps one or two cases in ten years where it has been refused.

128. In some cases they would prefer being subject to the observation that they would not allow you to examine, rather than have an examination?—

Mr. *Blenkinsop.*

13 June 1870.

amination?—Of course it is always open to that observation, and they do not like to refuse.

129. Another recommendation in the same page is that the time for bringing an action should be limited; do you see any advantage in that?—I have had cases of hardship; I have received no claim and no notice of claim for probably three or six months after the accident; of course, the longer the delay, the more difficult it is to know the facts, and to that extent it might be valuable; they ought to bring it within some reasonable time.

130. The usual limit is six years, I suppose?—Yes, but it is impossible to get up the facts as to an accident after six years.

131. Do you find that they are delayed continually?—I do not say so; we have had one or two cases in which we have had some difficulty in ascertaining the facts, because they have delayed 12 months in giving us notice.

132. It is very important, is it not, in those cases of spinal accidents, that the passenger and the medical man should have an opportunity of judging what the result is likely to be?—Yes, only I think they might write and say that there will be a claim without naming the amount.

133. A man need not commence his action till he knows he has received a real injury?—I am speaking rather of a notice to the company, telling them that the man is injured.

134. That you receive almost as a matter of course, immediately after the accident, do you not?—We do generally, no doubt; I do not attach any very great importance to that recommendation.

135. Mr. *Sherriff.*] Has the tendency of juries to give large damages increased of late years?—It has increased; that is to say, it increased very much, probably five years ago, and it has continued so for a long time; I cannot say that the tendency is increasing now, because I have explained my impression that the judges have done a good deal to keep them moderate; the fact is, that the judges have seen that excessive damages have been given, and a good many of them have set their minds to keep them down, and that is the reason, but juries I think are, in most cases, quite as willing as ever to give excessive damages.

136. I think you stated that the liability of a company to large damages for the death of, or injury to, passengers really formed a very small element in the desire of railway companies to prevent accidents?—I think so; I think that the much more important element which I mentioned, namely, the keeping up of the prestige of their own railway, and keeping their trade from their rivals, is a far greater inducement to them, apart from humanity altogether, than the mere compensation.

137. Have you not found after all great accidents on railways that there has been an immediate lessening of the traffic, not only on the railway system upon which the accident occurred, but generally?—I have no doubt from my own experience that an accident happening deters many timid people from travelling for a time.

138. For instance, after the Abergele accident did you find any great difference in your passenger receipts upon that or any other portion of your line arising in your opinion from that accident?—I think so; it prevented timid people from travelling for some time.

139. So that that, as well as many other internal reasons amongst officers and directors, is always a preventive of companies from carelessness which results in accident or death to passengers?—Certainly; there is, first of all, the character of the general manager, who naturally likes to have a character for safety, and besides that, there is the money consideration which you have just mentioned of keeping up the returns of the company.

140. In case of insurance on goods, the amount is left to the discretion of the company, is it not?—No; if a man comes and makes a declaration and offers to pay you the insurance under the Carriers' Act, you are bound to insure him.

141. But who fixes the amount of insurance?—The railway company themselves have fixed it; I believe it must be a reasonable thing, but they fix it themselves.

142. But in case any person is injured or killed under the proposed Act, the amount of insurance per cent. will be fixed by law?—Yes.

143. Mr. *Reed.*] Do you produce any return of the accidents on the different lines that you represent here to-day?—No, I have not any statistics with me, but I could easily provide the Committee with statistics if they wish it.

144. Could you furnish a statement of the number of instances in which the companies have been successful in proving their case?—I will do so.

145. I understood you to say that the chief claims numerically arise from people in humble circumstances?—I did not say that exactly, but I said that I thought you would find that the proportion of compensation is greater to third-class passengers; that may arise from the third-class travellers being more numerous.

146. I suppose third-class passengers are chiefly artizans and people of limited incomes?—That is not so; nearly all clergymen travel third class.

147. That depends upon your fares, does it not?—No, a clergyman thinks that he can travel third class.

148. Supposing those people to be poor persons, is it likely that they could readily get the assistance of lawyers and doctors upon an accident occurring?—I am sorry to say that there is never any difficulty in their getting lawyers.

149. I mean in the usual course of things, are they such clients as an ordinarily professional man would care to have, if they are poor people?—Yes, because the railway company invariably pays the costs.

150. That is supposing the issue is of a certain character?—In compensation cases it is very rarely that the liability is disputed at all; it is only a question of amount, and then if they get 10*l.* they get their costs.

151. If the persons were poor would they not have a difficulty in getting anyone to take up their cause?—I do not think so in railway compensation cases. Generally, no doubt, you are right; but in case of railway compensations, seeing that they are safe of getting paid their costs, there is no difficulty in getting attorneys.

152. Am I right in supposing that a man who sustained an injury in a railway collision might have to deposit a sum equal to 50*l.* before any lawyer would take up his case?—My experience is quite the reverse.

153. But if he had to pay such an amount, it would be a hardship upon a poor man?—That would be a very great difficulty with a poor man of course.

154. If therefore those lawyers and doctors made

made application to persons to take up the cause free, and to repay themselves their costs for which they are not covered, supposing the action is unsuccessful, there can be no blame to them, and it may be part of the bargain, that if the case is successful they will repay themselves in that way?—Yes, of course; but what I rather meant was this. I put this case. There are a certain class of attornies who will do the work, and get compensation for their clients, and who will take a considerable portion of the compensation, but other attornies, who are first-class men, will not do anything of the sort, they will take their chance.

155. I might put it in this way. A large number of those persons, being very poor people, and having no attorney and no doctor of their own, would naturally accept the services offered to them in the hope that they might get some compensation out of the company?—Yes, that may be so.

156. When you speak about medical men, do not the companies immediately send down one of their own medical men to get evidence as to an accident?—Our system is this, we keep a medical superintendent for the whole line, and then we have retained certain local medical men who, when an accident happens in their district, go immediately to relieve the passengers and to attend to their injuries at once. Of course those gentlemen ascertain the amount of injury, and report to me, so that we have our own medical man, no doubt, to tell us, whenever an accident occurs, what the injuries amount to.

157. Do I understand you to say that it is impossible for a medical man of ordinary capacity and standing to ascertain whether there has been a serious nervous shock, or an injury sustained by what you call a nervous shock?—All I can say is this, that our medical man has repeatedly told me in cases of nervous shocks that the patient described his symptoms, and that he could not contradict him; he has often told me that he did not believe it, that the man was exaggerating his case very much, and he could not say in some cases whether he had been hurt at all.

158. But in the cases where you have been defendants, have you not tendered to the jury positive medical evidence as to the state of the man's health?—Yes, repeatedly.

159. In your opinion, are not juries composed of the middle class, fairly likely to recognise the precise claims for damages, specially of people in humble life?—My experience of juries is this, that they let their compassion flow very freely at other people's expense as against railway companies.

160. Have not railway companies in some of those cases been thought to have dealt very harshly with applicants for compensation?—There have been no doubt such cases, but I should hope they are solitary cases.

161. Is not the opinion of the class from which juries are drawn been formed very much by the action during past years of railway companies, with reference to those claims?—The honourable Member knows better than I do, no doubt, but I daresay there is this kind of feeling in the minds of juries, that they would punish a railway company where it is a very gross and bad accident; their feeling is rather, besides the injury to the passenger, to put in the element of punishment to the company.

162. You speak of being subject to competition, but, actually, you are masters of your own rates and fares, are you not?—No, the rates and fares are prescribed by Act of Parliament.

163. But within the maximum amount?—Yes, but that is subject to this qualification, which the general manager will explain better than I can do. We are all competing at the same rates and fares; there cannot be a different rate and fare to the same place; we are all competing, but we have been, rather foolishly, in some instances, competing so keenly that the tendency of rates and fares for the last five or ten years has been to go down gradually.

164. But, practically, people who have to travel must travel, must they not, by your line, or those associated with you?—No, just the reverse; for instance, if you wish to go to Manchester you can go by the Midland line, who are competing very keenly with us; or you can go by us or by the Great Northern; there are three routes to Manchester, all competing against each other to get the trade.

165. But when there was an understanding between the South Eastern and the London, Chatham and Dover Companies, we were obliged to pay the same price whichever line we went by?—It may be that you would have to pay the same price; the fares must be the same; you cannot have a different fare.

166. As I understand your proposal, it is, that you will form, in fact, an insurance company within yourselves, and that the public shall be required to pay a certain fixed amount if they wish to insure against accidents?—If they wish to insure beyond the 500 *l.* for first-class passengers, 300 *l.* for second-class, and 200 *l.* for third class; but, if a passenger wishes to have himself insured above 500 *l.* for a first-class passenger, 300 *l.* for a second, and 200 *l.* for a third, then we ask him to pay a reasonable premium, and we will insure him.

167. Do you not suppose that that would be a successful speculation on the part of the railway company?—I think it would be a loss; in fact, the Accidental Insurance Company will not undertake the business at the figure I mention.

168. I think I understood you to say that if the amount that you pay a man was fixed at a maximum of 1,000 *l.*, all claims would be readily settled?—No, I am bound to insure a poor man for 1,000 *l.* if he pays me 3 *d.*, but, in case of death, I should be bound to pay his representatives, at once, 200 *l.*, by the Bill; and, in the case of a first-class passenger, 500 *l.*; and 300 *l.* in the case of second-class passengers; therefore, there would be no litigation in the case of death.

169. If a man took a ticket at Ludgate Hill Station, and that ticket carried him to Blackfriars Station, he would have to pay 2 *d.* or 3 *d.* would he not, for his insurance for that short distance?—There is that difficulty, I admit, where the fares are very low, and very short journeys, that he might double his fare, as you put it; but we thought for that kind of traffic, where a man is a frequent traveller, to give him a very low annual ticket; say, insure him for the year round at 5 *s.* or 10 *s.* If he is a constant traveller, if he comes to his business and goes back again, we thought of giving him an annual ticket at a very low fare, and insuring him the whole year, and thereby the anomaly which you have mentioned would not accrue.

170. I want to know whether if you only assured

Mr. *Blenkinsop.*

13 June 1870.

sured up to the average loss upon accidents, that would not lead to a diminution in the care exercised in the management of the railway?—I think not; I have a very strong opinion upon that, but I say that the far higher considerations of the safety of the line, and the retaining of the traffic, would come to ten times the amount of compensation, and I do not think that that at all enters to any extent into the management of the concern, but you had better ask the managers upon that subject.

171. With regard to America and the Continent you have stated your opinion, but do you not know that the rates of carriage are very much lower both in the United States and on the Continent; I mean the rates to which working men are liable?—I know, generally, that the rates are lower both on the Continent and in America, but with this difference on the Continent, that railway companies there are practically a monopoly; there is only one line of railway allowed to a district, and, therefore, the condition attached is that they are to charge low rates and fares. If that system had been adopted in this country people would be carried at one-third less than they are; it is the competition, and the double capital, that has kept the fares up.

172. Are there not a great number of persons who suffer from accidents, but from whom no claim comes, and therefore the company is released from obligation?—My own impression is, that unless it is some very slight injury they all make claims. I have known one or two gentlemen high in station, who although injured have not made claims.

173. I am speaking now of poor people who have no opportunity of making their claims?—My impression is that whenever there is any serious injury a claim is always made.

174. With regard to the notice of claim, is it not within your knowledge that the symptoms of disease very frequently are of that subtle character (spinal affection, for instance) that they do not show themselves for many months after the accident?—That is so. I have known cases where a passenger has considered himself very slightly injured, and it turned out to be of very serious importance.

175. And yet you demand a limit of six months?—The Royal Commission recommend it. I do not mean to bring the action, but merely to tell us that we may have a claim from the person injured, that is all I want.

176. Mr. *Sherriff.*] I understood you to say, in reply to an honourable Member, that the chance of accident had not prevented cheap trains being run by railway companies?—I do not think I mentioned that; if I did say so I was under a misapprehension.

177. Is it within your knowledge that excursion and other cheap trains have been given up by railway companies, merely on account of the chance of accident, and the claims which would be made afterwards?—I know that at our board we have frequently discussed the question of excursion trains, and we are limiting them as much as we possibly can on account of the liability to accident. For instance, I recollect an excursion train accident two years ago, at Watford, in the tunnel near where I live, and I believe it cost us more than the Abergele accident; I think we paid about 35,000 *l.*

178. It is within your experience that cheap travelling has been prevented by the liability attached, in case of accident, to railway companies?—Certainly; excursion trains have been diminished on that account.

179. Mr. *Price.*] Do you know whether, prior to Lord Campbell's Act, damages in case of accident were awarded in respect of injuries suffered by a passenger, or the loss of income sustained by him, or both?—Under the old law I do not think that the element which has sprung up recently, that you must look to the future prospects of a man, existed. I think the actual injury to the body was calculated, and then the actual injury as regards pecuniary loss; in fact, I think that both were elements of consideration.

180. The alteration which has been made in the law by Lord Campbell's Act is that whereas before a man could only claim for himself, whether for injuries that he suffered, or for loss of income which he sustained, now his representatives may claim for any loss of income which they sustain in consequence of his death?—That is so; you have under Lord Campbell's Act to pay the person's relatives when he is dead.

181. You do not complain of that alteration of the law as I understand you, but what you complain of is that the principle of the law is not fairly applied?—I do not complain of that, because I think it was an anomaly that you could kill a man and pay him no compensation; what I complain of is this, that an excessive amount of compensation is given for unequal consideration; we only get the same money from two individuals, and we sometimes have to run 10 times the amount of risk in one case as compared with the other, and I think that it ought to be a moderate risk in all cases.

182. Is it the practice generally of judges in charging juries in cases of this kind to indicate at all the extent of the damages to be awarded, or to foreshadow it in any way?—Some of the judges have let their feelings go with the sufferers, and by language which they use, which you can hardly describe, do increase the damages, so that there is no doubt about it in the mind of the jury. Some judges will tell them that it is a case for full and ample damages, and use words of that sort, whereas other judges will tell them it is a case for moderate damages; to that extent the judges do influence the minds of juries no doubt.

183. But they do not indicate the amount of damage so definitely as to enable you to say that the juries have gone beyond what the judges have indicated?—No, we find it in this way: we have had cases recently where the moment the verdict was given the judge has intimated that he did not think that the verdict was a just one, and he would give us leave to move for a new trial; we had a case of that kind the other day in Wales.

184. Clearly showing that in the mind of the judge there is an impression that juries sometimes go beyond the justice of the case?—Yes; I had a case the other day before Mr. Baron Channell, in Wales, when immediately after the verdict was given he told our counsel that he did give our counsel leave to move for a new trial.

185. Do you know, as a matter of fact, whether that has taken place in other cases excepting those under your own management?—I have no doubt of it; I have seen such cases frequently in the papers.

186. You have spoken of the practice which has grown up, of persons taking up those cases upon speculation; is that an impression, or do you

you know it as a fact?—I know it as a fact. I have had a good deal to do with them. Probably with a large class of attorneys in our large towns, if the case gets into a respectable man's hands, we can settle the matter without difficulty; it is very rarely that one has to fight when there is a respectable man on the other side; but when it gets into the hands of the other class of practitioners, I know that there is no chance of settling it.

187. Then a new class of business has sprung up, has there not, under Lord Campbell's Act?—Yes, it is altogether by a class of attorneys whom I would not call first-class professional men.

188. In those cases, do the clients seek the solicitors, or the solicitors seek the clients?—Those kind of solicitors I know have sought the clients.

189. You spoke, did you not, of those medical witnesses as requiring in most cases larger fees than they would in ordinary practice?—Medical witnesses of a certain class, men who have laid themselves out as professional witnesses, will not come at the ordinary per diem charge; they always charge more.

190. That is to say, they charge more than they would charge if they were engaged in their ordinary profession during the same time?—Yes, I think they do even more than that.

191. In those cases where men are known to have that high scale of charges, do you look upon them as medical witnesses or medical advocates?—A great number of them have become practically now medical advocates; they take the strongest view on the particular side for which they are employed.

192. I presume that practically, in that case, they would range themselves on the one side or the other, and you would generally find that a man would be a witness for or against heavy damages, would you not?—No doubt.

193. If that were not so, would not the evidence that a man gave in one case be very often found to be conflicting with the evidence that he gave in another case?—No doubt.

194. That is to say as a matter of fact, there are certain men that you would know at once to be witnesses or advocates, whatever you like to call them, for heavy damages?—No doubt.

195. I think you stated that in the case of those accidents, which you characterise as nervous shocks, you have great difficulty because you have nothing to go by but the description which the sufferer gives of his own sensations?—Quite so; there is no outward appearance of injury, but still he says he is suffering from this nervous shock, and then he describes what he feels, and the medical men frequently tell me that they cannot deny the man's statement, but they believe from all that they can see about him that he has grossly exaggerated the injury, or probably is not injured at all; I have had cases where they thoroughly believed that he was not injured at all; but it is more exaggeration I think of the symptoms that they suffer from than actual fraud, or a man telling really what is not true.

196. Do you generally find that those sensations and symptoms are described in a sort of stereotyped language?—Yes, the doctors come and give the same kind of evidence and they bring their clients into court.

197. Do you remember any case in which damages have been awarded and paid, and fraud detected and punished after payment?—Yes, there have been one or two cases on our own line of railway, and on the Midland line there was a case where they did detect a man and he was punished afterwards.

198. You mentioned a case yourself in which you detected a man just as he was upon the point of getting damages; do you happen to know any cases in which a man was detected after damages had been awarded?—No, I have found that a man was not injured to half the extent that was stated, and he got better immediately after the damages were paid; there are many cases of that sort, but not cases where they have actually not suffered at all.

199. I think you said that you would give in a statement of cases which had occurred within your own knowledge; would you be able to distinguish those cases where as you contend the accident had happened not from the neglect of the company but from the neglect of the passenger himself?—It would be a little difficult to do that unless the verdict had been for the company; that is very likely the case wherever we get a verdict where probably contributory negligence on the part of the passenger existed; I could tell it in that way, because no doubt in almost every case the accident would have arisen from the want of care on the part of the passenger himself where we did succeed.

200. I asked that because you mentioned the case of some man who had (I do not know whether it was hypothetical or not) recovered damages in consequence of an injury which he had sustained by tumbling over a wheelbarrow?—I gave that merely as an illustration.

201. That being an illustration of a class of cases, have you within your knowledge any such cases of which you could give us the details?—Yes; I have got several cases. We had a case in a station on the Shrewsbury and Hereford line, where a little boy began swinging, I think, on a chimney mantel which did not stand his weight, and came down and injured him, and there we had to pay compensation.

202. Then the neglect of the company in that cas was in not providing a chimney piece which would be available for swings?—Yes.

203. Mr. *Denison.*] Was the compensation by award of court, or by consent?—We were advised that we were liable, and we paid the money, 100 *l.* I thought it a very extreme case, and I doubted the liability myself, but we were so advised. There was also a case of very extreme hardship which I might mention. A blind man was coming down our stairs, nobody being with him to lead him, and he tumbled in consequence of a nail being up in the stairs, not quite driven home; his foot caught the nail, he tumbled down, and we were held liable.

204. Mr. *Price.*] That was held, was it not, as an act of negligence on the part of the company?—The nail seemed a very small one, and we thought that the negligence was on the part of the poor blind man who had no one to lead him. We have also had this class of station accidents. You will probably recollect that in some stations the platform goes down a little, and sometimes a train stops outside it, and a man gets out, and on account of the extra distance tumbles and is injured, and we are held liable for that, although a little care would have prevented it on the part of the passenger.

205. You were asked by an honourable Mem-

Mr. *Blenkinsop.* 13 June 1870.

ber whether there was any other restraint upon the irresponsible management of directors than this liability to pay damages, and I think you said generally, that you do not think that that liability to pay damages weighed at all, but that there were other and higher considerations which acted as a restraint upon them?—Yes, certainly. My impression is, that the liability is a very small element indeed in the management. First of all, there is the character of the manager and the directors themselves, and then there is the money consideration in making people timid to come by your railway, which comes to ten times what the money compensation would be.

206. Is there not also generally a very heavy loss and damage caused to the stock by one of those accidents?—Yes, many thousands of pounds of damage to the stock occasionally.

207. And the directors themselves travel about as much as other people, do they not?—Yes, I think so; and I know they look very seriously at the manager whenever any great accident occurs.

208. The idea that railway directors are utterly indifferent to accidents, and manage their railways with recklessness, as it is commonly put, is a popular delusion, is it not?—Yes; they are men, as a rule, of good standing and character; they are quite as humane as other people, and they do not wish to kill people if they can help it.

209. You have indicated 3,000*l.*, 2,000*l.* and 1,000*l.* as the limits of what I may call the compulsory insurance, and you have put it at the rate of 3*d.* per 1,000*l.*, but does not it occur to you that there is a greater risk in carrying a passenger 100 miles than in carrying him 10 miles?—Yes, we considered that question, and no doubt it is a very difficult one; but, on the whole, although I mentioned, I think, that some of the companies' managers wish a sliding scale of charge for 50 miles, for 100 miles, and for 150, and so on according to the distance, the majority of the companies think that it would lead to complication, and they prefer one uniform thing, although there is greater risk of course; but at the same time you must bear in mind there is the risk of getting in and getting out whether the journey is long or short, and many accidents occur in getting in and getting out.

210. So that the risk would not be directly in the ratio of the distance?—You could not fix it directly in the ratio of the distance; there is some risk in getting in and getting out, and we have many accidents on that account. Then there is the difference, of course, of the time that you are on the railway, and we came to the conclusion that we had better propose the simple plan of a uniform thing, whether for a short or a long journey; only as regards short passengers, who travel frequently, who take season tickets on the railway, that is to say, on omnibus traffic, we would give them an annual insurance ticket for a small sum, say, of 10*s.* or 15*s.* or 20*s.* a year, which would do away with the objection very much for short traffic.

211. But, in some way or other, you think that the principle which now applies to goods and animals should also be applied to passengers?—Yes, I think that the principle is the same, that where the article is more than usually risky (the same as in goods, merchandise, and cattle), companies ought not to be held liable for more than a limited amount.

212. Mr. *Sherriff.*] You think that the principle should be extended as regards passengers?—Yes, it should be extended to passengers practically, because there is just the same inequality as regards passengers, in the value of a man's life as there is in merchandise.

213. Mr. *Price.*] When you have to consider the question of damages in respect of goods, do you find the same tendency on the part of juries to exaggerate claims as in the case of passengers?—No, not so much; and that just shows what the feelings of juries are. They look upon a poor man that is suffering, and want to give him heavy compensation. In the case of goods, as a rule, we get the fair value assessed. In the case of goods the feeling does not come in, and we do not find ourselves suffering at all, or at least very little.

214. There is no sentimental sympathy?—No, there is no sympathy or feeling in the matter.

Mr. Henry Oakley, called in; and Examined.

Mr. *H. Oakley.*

215. *Chairman.*] You are the Secretary, I think, to the Great Northern Railway Company?—Yes.

216. For what length of time have you filled that office?—I have been secretary 10 years, and assistant secretary about five years longer, 15 years altogether.

217. During that time you have had considerable experience of the working of the principle of compensation, have you not?—Yes, it has fallen to my lot to have the inquiry and negociation of those cases before they reach the directors, and the duty, of course, of carrying out the directors' orders.

218. What conclusions, which you have formed upon the subject, can you give to the Committee?—They are manifold; I would first of all say that there is very great difficulty in really ascertaining the merits of the claims that are put before us; the usual course of procedure is this: a claim is made, either personally or by letter, and sometimes it is through a lawyer that we first hear of it; I generally send some one to inquire as to what is the nature of the claim, and if it is a mere bruise or contusion we do not trouble the doctors, but if it is alleged to be serious, we send our own doctor first of all to see what the case is, and report upon it; if, then, it is found to be within his scope, and if we can manage it, we probably arrange with the opposite doctor, if it is a fair case; or if we cannot, if it threatens to be serious, we then select the very best man in London for that class of cases, without regard to whom he may be; for instance, in a surgical case we used to send to Dr. Hancock or Mr. Erichsen; Mr. Paget used to act for us, but now he will not go into court; on the other hand, if it is a physician's case, a shock to the system, we send to the best physician that we think will advise us, and we ask him to give an honest opinion of the state of the patient; in most cases, in fact in 95 per cent., we arrive at a settlement, not, of course, always very cheerfully, because the amounts claimed appear

appear to be very much larger than we think the people are entitled to; but the risks and expenses of contesting are so great, that as a rule the directors prefer, if they can get within anything like a reasonable amount, to settle privately, rather than incur the risk of a jury, although they are advised, and are satisfied that the claim made is very much too large.

219. Have you experience of any class of attorneys or doctors who deal with persons who are injured?—Yes, I am sorry to say that I have; I have at this moment in hand two cases arising out of an accident down the line, in which a lawyer from London was telegraphed for by one of the reporters, and he went down and attended the inquest (one of our drivers was killed), and he picked up two of the cases of parties who were injured, although he had no connection with the town, and I am told he had never seen the parties before; and he has commenced an action in each of those cases.

220. Do you think that he applied to the parties, or that the parties applied to him?—I cannot, of course, say the actual *modus operandi* on the spot, but he was sent for by a reporter, and we know that he was telegraphed for; he was then introduced by, I believe, the reporter, but I should not like to be positive about that; but he was introduced by somebody to the persons who were attending the inquest.

221. Had he been engaged in business of this description before?—Not with us.

222. What do you find the expense of contesting a case?—It varies; I should explain, first of all, that we pay our solicitor by an annual salary, and therefore our expenses are only those out of pocket; but the expenses of the medical witnesses and the lawyers, and the other side, when we fight, seldom come to less than between 300 *l.* and 400 *l.*

223. Is that the expense of both sides?—Yes; I have had one or two cases, of which I will tell the Committee presently, where we contested a case with nothing extraordinary in it, and the bill sent in by the lawyers after the jury was 570 *l.*; it was taxed down to 318 *l.*, but we had to pay it in addition to the damages and our own costs as well, and, of course, our own medical witnesses. In fact, putting that point shortly, the known expense of contesting cases often induces the directors to settle rather than incur what they know is practically a fixed sum.

224. Is it in accord with your experience that the company has always to pay the cost?—Yes; just let me mention a case in point. A woman in rather an ordinary condition in life, in fact a washerwoman, commenced an action against us through her attorney, and we paid 100 *l.* into court, which we thought amply covered her case, and the jury said that the company had behaved very properly, and gave a verdict for the company, but they accompanied it with the recommendation that as the woman was a poor woman we should pay her lawyer's costs, which, of course, was all he wanted, and we had to pay his costs; and I heard afterwards, as rather a sequel to the case, that he had kept the greater part of the 100 *l.* to repay himself the costs between attorney and client.

225. Do you think that great opportunities under the present practice are given for exaggerating claims?—Yes. A claim is always divisible practically under three heads. There is first of all the solatium for personal injury; there is, secondly, the loss of business, or loss of income; and there is, thirdly, the expenses. Every claim can be divided under those heads, and we always try to deal with them in that way. Let me also say that there are many cases where we find the parties honest and straightforward, and willing to submit themselves to examination, and where we are enabled to settle without difficulty; but in cases where there is an evident desire to make the most of them from the beginning they have ample opportunity of doing so. In what Mr. Blenkinsop described as shocks to the system, or what our doctors more learnedly call subjective injuries, that is, injuries that they cannot see, they can only depend upon the patient's statement of what he suffered. A passenger, as many men are, of course, is of a highly nervous temperament; he receives a shock to his nervous system; he is frightened, and he details all sorts of horrible feelings, and suspicions, and fears that he entertains; his doctor, on the other side, if he wants to make the most of it, looks grave, and says, "This may lead to something very serious;" while on the other hand our doctors advise us that the man only wants a little rest, and in two or three months he will be all right. We cannot convince him, and seeing generally what we have to deal with, we practically get out of it the best way we can, unless it looks rather too strong, and like a case of simulation; then we always fight it. You may take it for granted that, as far as we are concerned, no case has been fought for years, unless there has been in our minds some notion that the man was either grossly exaggerating or simulating, or that we declined the liability on some other ground, some broad ground. It is practically impossible for us to tell what a man's business is, and it is rather interesting to find the very large profits that people apparently in a very humble way are making when they are injured in a railway accident; their business has collapsed, and the whole thing has gone to ruin, and that is always a very large item in their claim. Then, with regard to expenses in the same way, if they are injured they want a little rest, and they go out of town, they go to Brighton, or to Eastbourne, or to some of those places, and they live very comfortably during the time of their absence, and they call upon us to pay them their expenses. There is a tone of exaggeration throughout.

226. Your practice is, in short, to get off as cheaply as you can?—Yes; except in the cases as I say where we believe, I do not say where there is, but where we believe there is simulation, or where we deny the liability on broad grounds.

227. Are there many cases where you deny the liability?—Yes; I could give a very striking case. We had nine actions commenced against us some few years ago, on account of what you will remember as the Carlton floods, in the mid district of Lincolnshire, when a flood came and washed away part of the railway; all those actions got into the hands of one attorney. It was alleged that the night was so bad, that the lightning, thunder, and rain were so fierce that we ought not to have started our train from Grantham; the cause of the accident was, that the flood, after being blocked up by some obstacle or rising ground, came down with a huge volume, and washed away about 70 yards of railway, and the train unfortunately went in one end of it. Nobody was killed; but several were

Mr. *H. Oakley.*

13 June 1870.

were hurt. It was tried six times, and we lost one of the six cases; but we won the next, and in the other four cases the jury could not agree; by that time they got tired, and the thing was never finally settled.

228. Have you had any cases of absolute fraud; that is to say, of any person injuring himself for the purpose of getting compensation?—Yes; but they have not been successful; we have generally tripped them up before they have succeeded. I have in my mind the case of a man who alleged that he had tetanus, from his thumb or wrist being caught in the door of a carriage, when the guard was shutting it; he got a solicitor to take up his case; he said that he was a merchant in a large way, and he claimed 5,000 *l.* damages. We wanted to see him; but we were refused to see him unless we first of all admitted the liability. In a case of that description, of course we could not do that, and therefore we were obliged to be content with not seeing him. We made the best inquiries we could into the case, and we found that instead of being a merchant in a large way of business, he was in effect one of a body who, in some small street out of Thames-street, lived by getting goods from people, and representing themselves to be a firm, and I was also told (but this I do not know personally) that the police were inquiring after him. However, his lawyers took the case into court; we were in court, but the plaintiff never appeared, and therefore we paid no damages, but of course we had our own expenses to pay. I believe that the lawyers did not know the sort of man whose case they had undertaken.

229. Do you complain of the present state of the law generally?—Yes; I think we have a fair right to complain, because we do not know really where we stand when we book a traveller. At the time of the man making the contract, as the lawyers term it, we do not know what obligation we undertake. In the case of a gentleman who was killed on our line a good many years ago, he was a man of very good property, but he had, unfortunately, a very large family; a rail broke, and we were held liable for the consequences, and the jury returned a verdict in that case against us of 13,000 *l.* The large amount was due only because he had not taken the ordinary precaution of insuring his life, so as to provide for his young children. We appealed against the verdict, and it was eventually reduced to 9,000 *l.*, and we had to pay 9,000 *l.* and the costs, which made it about 11,000 *l.* There is another point which we think rather hard. I need not go into the question of the absence of relation between the fare and the obligation, because Mr. Blenkinsop has done that, but no consideration is given when the company has done its best, when it has got the best materials, when it has got the best men, and when an accident has occurred only from a mistake of probably as good a man as could be got. I have a case in my mind which will illustrate that. We had an accident at Hitchen by the default of the signalman, and it was admitted that it was his mistake, but the man had been nine years as signalman; he had been three years in that post, and he was so good a man that he had received 10 or a dozen half-yearly bonuses. Because he had never misconducted himself during the whole time, and had signalled trains with perfect accuracy, we encouraged him by giving him a bonus every half year; but yet we were held responsible, in fact, to the extent, in that case, of 20,000 *l.* There were two or three cases tried, and, in fact, the mistake of that signalman cost us about 20,000 *l.*

230. You do not find the sum which you have to pay dependent at all, do you, upon the degree of negligence of the company?—No, there is no relation at all of that kind.

231. Consequently, it does not operate much as a stimulus upon the railway companies to very great care?—No; that is one way of looking at it, but that is not the way in which I should put it to you, because, as far as our railway goes, the question of loss by an accident of this description has nothing whatever to do with it. We simply try to do the best we can, and I may say so far we have been successful; but, do what we can, we cannot avoid accidents by the failure of men, the best that we employ.

232. Do you think that it has the effect of preventing your lowering your fares?—Yes; I think that it may have; of course it is not quite clear. I see that the amount that we paid for compensation represents something like 2 per cent. on the working expenses, and, of course, everything that increases our working expenses tends to prevent a reduction in the fare. The logical sequence, as it appears to me, is this, that the rich travellers, who get large compensation from us, help to keep up the working expenses, and that, therefore, the poorer man practicably pays a portion of this compensation, in any increased fare that he has to pay. I think it will fairly work out in that way.

233. The 2 per cent. that you have to pay frequently is in respect of injuries done to the rich man?—Yes, clearly so.

234. Consequently, if that increases the fare it would rather increase the fare of the poor man than of the rich man?—Yes, it would increase the general fare, but the poorer people being the majority of the travellers may practically pay a portion of the rich man's compensation.

235. Do you think that the working of the present law is to encourage unscrupulous persons to demand compensation?—I think so; that has been my observation of it, that a man who has made up his mind, I will not say to cheat us, but to extract as much as he can from us, is really encouraged to go on by the hope of reward. All he has got to do is to stick to his statement. I could tell the Committee the case of a man who said he was earning 1,300 *l.* a year, and that he had received a shock in rather an unusual way. A goods truck was attached to a passenger train on a branch line; at starting, the passenger carriage received an extra shake, because of the long coupling between the goods truck and the carriage; he said that he had received a shock to his system, and he retired from his business, intimating that his eyesight was affected, and that his hearing was affected, and that he had pains down his limbs. He had no bruise, or any external injury whatever; and, on hunting him up, I found out that instead of his income being 1,300 *l.* a year, he had been bankrupt, or insolvent, the year before, and that his goods had been seized by the county court bailiff. He was, no doubt, in the business that he said he followed, but from his surroundings we should think about 200 *l.* or 300 *l.* a year would be the outside of his earnings. When we let him know how much we knew about him, we were able to settle with him without fighting, but his lawyer's costs amounted, I think, to 226 *l.*, which we had to pay.

236. That

236. That was part of the arrangement, I presume?—Yes.

237. You heard the suggestions that were made by Mr. Blenkinsopp for an alteration in the law; are those suggestions in accordance with the view of yourself and your directors?—Yes; the subject has had a great deal of consideration, I may say, for two years, and the conclusion that we have unanimously arrived at is, to present those views to Parliament through the medium of this Committee, and we hope so to impress the Committee that we shall induce them to adopt them.

238. That is to say, limiting the liability without any consideration to pay compulsorily, and leaving it to persons travelling to insure for a larger amount, if they so think fit?—Yes.

239. Have you any suggestion to make as to any alterations in the mode of determining cases?—My directors have felt that in asking you to limit the damages, it was necessary to meet the case of the poor man who might be supposed to be unable to find a lawyer and a medical man to take his case up, though that has not happened in our experience, the shortest way would be to submit the case to the county court judge of the district in which the accident happened, or in the district where the chief offices of the company are situate, and let that be the tribunal to try those cases.

240. Have you any other recommendation to make?—No, I think not; at present that is all I have to put before the Committee.

241. Mr. *Davison.*] In making that recommendation, did you mean with or without the assistance of the medical assessors?—We hardly presumed to say precisely what the court should be; that was to be thrown out as a suggestion for the consideration of the Committee. In some cases, no doubt, a medical assessor would be advisable; but that recommendation would be practically in the discretion of the Committee, and not for us.

242. Sir *H. Selwyn-Ibbetson.*] One of the principal objections that you take to the present system is, the apparent unnecessary legal expense, if I may call it so, which is incurred by persons who are not over-scrupulous?—Yes.

243. But would not the system be still liable to that in all cases of injuries, even if the Bill submitted to the Committee were adopted?—No. First of all there would be the same inducement; there would not be the same margin for them to get, and if you adopt the other suggestion of a county court, it would be very easily settled.

244. But that is not in the Bill?—The Bill is only to be taken for what it is worth; the county court is the result of more mature consideration.

245. I imagine from that Bill, that you have a limited sum fixed, which is payable to somebody in the case, but not in all cases, and even then it would be a question of how much of that limited sum in cases of injury would meet the actual case?—Yes.

246. In every one of those instances, some sharp practitioner would see his way to come in with the view of getting his legal expenses out of the company?—No; the only effect of it would be, that we should know the expenses of the trial, and supposing a man wanted 300 *l.*, and we offered him 200 *l.*, we should rather pay 300 *l.*, than go on with the trial, because we should know the result.

247. It would be diminished merely by the companies acceding to the man's demands?—Yes; practically it would be so.

248. You mentioned one other point with reference to the professional profits of a man often being exaggerated, but you have no practical means of arriving at them?—No practical means; we could get a judge's order to inspect the books, but the inspection is always limited.

249. You could not get at the returns of the income tax?—No, they will not admit them; nor will the judge allow a man to be asked how much he returns, and if he is asked, the jury generally laugh.

250. What year was that accident at Hitchin to which you referred?—It was about 1859 or 1860.

251. You say it was entirely arising out of the fault of the signalman?—Yes.

252. At that time was the system of interlocking points and signals on the line at work at that particular point?—Yes, it was at that particular point.

253. You are aware that a good deal of attention has been called on several railroads, and the Great Northern, among others, by the Government inspector to the subject of interlocking points?—Yes.

254. Are you in a position to speak at all, or will the traffic manager speak as to the working of the line?—Our traffic manager is, unluckily, seriously ill; therefore I must undertake the duty, whatever it may be.

255. Are you able to speak with regard to the system which has been very much talked of, the block system, and its application to railway working?—Yes, I think I am in a position to give you all the information that you may require upon that subject.

256. You are aware, I suppose, that in a very large number of instances of accidents under the head of collisions they have been reported by the Government inspectors as preventable, and as certain almost to have been prevented, had the block system been in operation?—Yes, but I do not think that applies to the Great Northern Railway,

257. In several instances, I think, it has been recommended, if I mistake not?—I rather fancy that we were ahead of the world generally in the adoption of the block system, but we do not think it necessary to adopt it everywhere.

258. I think I am not mistaken in saying that, in several instances, within the last two years, the Government inspectors have reported in favour of the block system being adopted?—I think you will find that they have reported in favour of the alteration of the locking apparatus. From London to Hitchin we have the block system in operation; but there are three systems of train telegraph in operation on our line suitable to the state of the traffic of each. Between Hitchin and London we have the block system, and in Yorkshire we have the block system entirely, and the reason for that is this, that the trains do not start from end to end; but near London, one train is coming from Hitchin, another train will be starting from Barnet, and one from Hatfield, so that there are a series of commencing trains within that area; and in that condition of things the block system is very useful.

259. You always preserve a certain space between

Mr. *H. Oakley.*

13 June 1870.

tween the trains by telegraph, do you not?—Yes, over that area and in Yorkshire.

260. What is the reason for not adopting the same system with regard to the rest of your line?—Because the distances between the stations in the country are greater, and it would seriously impede the traffic.

261. You admit, do you not, that under the block system you are less liable to those accidents of collision properly so called?—Yes, I admit that as to collisions between stations the block system, no doubt, is very useful, and almost a preventative; but the fact is, that the majority of the accidents happen at stations. I do not know whether the Committee have seen the returns made to the Board of Trade, which are every now and then applied for; but you will find that the block system is by no means exempt from accidents.

262. Are you speaking now of cases where the block system is absolutely carried out, or of any modified system?—I speak of our own, where it is absolutely carried out.

263. Accidents have happened, you say, on portions of a line where the block system has been at work?—Yes; but accidents between stations are entirely prevented.

264. Therefore to that extent it would be a protection as against collision if the block system were universal?—Yes, of course, bearing in mind that running collisions form but a very comparatively small proportion of the number of accidents; accidents chiefly occur at stations.

265. But I look upon it that collisions proper are collisions where one train runs into another; not from any fault of the alteration of the points, or anything of that sort, or a mistake as to those, but directly running into another train on the same line?—That, of course, would be obviated by the block system.

266. What system of breaks have you on the Great Northern line in general use?—We have the ordinary weighted break, a four-wheel break; we generally run three breaks to a train of 12 carriages, and two breaks to a smaller number.

267. Do you imagine that by adopting any system which would at once apply a break generally throughout the train, you could reduce the number of accidents?—No, I do not think so; the experience of our people on that point is certainly antagonistic to what are called continuous breaks; at the time that they are most required, they are found to fail, especially in long trains that are made up of carriages put on at various stations. In short trains where the train is one continuous piece, and always a fixed body, they can be worked much more readily, but for long distances, and where you have to attach and detach carriages, the system of continuous breaks has never been found to answer.

268. That disadvantage, I suppose, would apply only to cases where you have constantly to be detaching and altering carriages?—Yes, but that happens practically to every train that goes beyond Hitchin.

269. Otherwise, on lines where one train ran through without any great change of carriages, that system would give much greater power to the people in charge of the train, and enable you to prevent a great many accidents that now occur; would you not be able to check the speed much more readily?—I do not think that any accident practically occurs now in express trains for want of break power; it is a very rare thing indeed.

270. Have you ever tried the system of continuous breaks on your line?—No, we have watched the experience on the Lancashire and Yorkshire Railway, as well as on the North London, and we find that it answers very well indeed for short trains, but it is not only our opinion, but I believe it is the opinion of all managers, that it will not do for long trains.

271. Where accidents occur from foggy weather, or from short trains in the road, where the present system of break is perfectly inefficient, as far as we read, the accidents occur in bringing up the trains within a short space, because the driver perceives the obstruction, but is not able to avoid the collision?—I have not in my mind at present any case on our line where an accident was caused by insufficient break power.

272. But you admit that it would be very desirable, if it could be accomplished, that continuous break power should be applied with the power working rapidly?—Of course the greater power that you can put into the guard's hands practically is an advantage, but I do not think we have arrived at that yet.

273. You do not think that the specimens that have been submitted to the trade are satisfactory?—No.

274. Mr. *Sherriff.*] Have you any account of the average number of railway accidents yearly on the Great Northern Railway?—I do not know that I have an account of the number of accidents; I have an account of the amount of money that we have paid.

275. How do you arrive at the 500 *l.*, the 300 *l.*, and the 200 *l.* which you propose to adopt as the future amount?—That has not resulted from the limited experience of the Great Northern Company, but has been the result of the consideration and the aggregate experience of all the companies.

276. And would your own experience be the same in that respect?—Taking the average amount paid and the number of cases, large and small, it comes to about from, say, 200 *l.* to 300 *l.* all round, costs included.

277. Does not the real working of the block system consist in preventing the departure of any train from a station until the station in advance has been telegraphed as clear?—Yes.

278. If the train has left a station, does not that system protect that station, inasmuch as the next station does not send any train forward until the station is clear?—The next station is receiving a train on the opposite line at one and the same time, and the accident at the station is not caused probably by the train proceeding from A. to B., but by some work at the station being wrongly performed at the moment that the train is arriving.

279. You mean that shunting is going on?—Yes.

280. When people at the station are going on with the operation of shunting, do you not block that station from the approaching train?—Yes, taking the up or the down line, we block that particular line. Just let me illustrate it. A short time ago, a train had arrived on the up line, and a fast train was going through, and the guard, instead of shunting the train into the siding, turned it on to the wrong line in the face of the approaching train. No block system would have prevented that.

281. But

281. But it would have protected you on the same line of railway, from accidents in the shunting operations?—Yes, no doubt as a rule, but accidents are really caused by neglect or misconduct of some sort; there has something gone wrong or there would not have been an accident.

282. Did I rightly understand you to tell the honourable Member that the block system did not protect stations, and that it only protected the line between the stations?—Pardon me, what I intended to convey was this; that the block system would prevent collisions happening by one train overtaking another between two stations, but that the majority of accidents happened at stations, for example, such a one as I have instanced.

283. But would you not say that accidents would be prevented by the block system, inasmuch as when you commence the operation of shunting in a station you block that station for all approaching trains on both sides?—Yes, but it does not make any real difference; an accident is only caused when somebody makes a blunder or neglects his duty at the station.

284. Mr. *Reed.*] You have referred, have you not, to mixed trains?—Yes; on small branch lines, where there are probably half-a-dozen trains run a day of goods and passengers of all sorts together, because there are only perhaps two or three passenger carriages and two or three goods trucks in the train.

285. There is always a certain risk, is there not, where goods and passengers are in the same train?—Where the trains run at high speed, with goods in them.

286. Just referring to that washerwoman's case; she had awarded to her 100 *l.*, I think you say?—We paid 100 *l.* into court.

287. Was she not proved to be incapacitated for future work?—No.

288. With regard to the county court judge, do you mean that those cases should be referred to the judge alone, without a jury?—Yes.

289. Then your objection is to juries?—Yes.

290. Do you think that juries deal unfairly with railway companies?—No, I do not think that they deal unfairly; I should be very sorry to put it as high as that, but all juries are railway passengers, and they are influenced, we think, a good deal by the more positive evidence of the plaintiff as compared with the negative evidence of the company's. A man says, "I have been hurt," I have got a pain in my back, or a pain in my head, and the doctor on his side says, "If he has got that pain in his back, and that pain in his head, it indicates something that is very serious." Our doctors get up and say, "There are other symptoms which usually accompany such a state of the body which are not present in this man, and therefore we think that the pains are merely passing pains, and that his doctor is mistaken," but practically, the jury generally believe the man who says he has the pain, and the doctor who says it is serious.

291. Do you not think that a jury would be very quick to detect a case of simulation?—No, not in court.

292. You would do your best to expose it, would you not?—Yes, but our best is but very little.

293. Mr. *Price.*] You consider that the block system is a great protection against accidents, do you not?—Yes.

294. But not an absolute immunity against accident, not even within the range of its own operation?—Quite so.

295. A man may neglect his duty, may he not, at the block telegraph?—Yes.

296. And if he neglects his duty an accident may happen just the same as if he neglected his duty at a point?—Yes, precisely.

297. Do you not think it possible that if a man were to neglect his duty at a block signal the accident which would result would be a more serious accident than one under ordinary circumstances?—Yes, I do; I have a somewhat similar case in my mind. But the Committee should understand that the engine driver is not supposed to know anything of the block system, it is one that is used merely as a protection and a guide for the stations in working the traffic; it is the engine drivers' duty to run by signals and depend upon them only. I have in my mind a case in which a signalman at the station had received a signal of the approach of a train, and in going out to put up the signal, he raised the wrong one; and a train that ought to have been stopped, was permitted to come on. In our mind it had this worse effect, that inasmuch as the driver had received a notice that he was all right at the previous station, he was going as fast as he could, thinking at all events that he was safe to the next station, but at that station in consequence of the mistake of the signalman he came to grief.

298. Mr. *Sherriff.*] Then he did know about the signal?—He is supposed not to know about the block system; he only knows the signals.

299. Mr. *Price.*] He does not know what takes place at the telegraph itself?—No.

300. But supposing the block system were not adopted upon the line, the driver would exercise a certain amount of precaution of his own, which he fails to exercise entirely when he thinks that he is protected by the block system?—We say that he ought not to do so; I cannot say that he does, but we are rather afraid that the tendency is to induce him to be less vigilant on the portions of the line where there is the block system, than where there is not; still the advantages of the block, no doubt, overpower that disadvantage where it is used.

301. But still, is it not according to human nature that if a man conceives that he is assured that between the station which he is passing, and the next station, no train can by any possibility be running, he would fail to take as much precaution as if it were a matter of uncertainty?—Yes.

302. So that an accident may happen where the block system is at work, as well as under ordinary conditions?—Yes, of course, it is open to that observation, but at the same time it is fair to say that it should not be so.

303. But even where the company has taken the precaution and gone to the very great expense of setting up the block apparatus, still they are at the mercy of any man's carelessness or neglect of duty?—Certainly.

304. And it always comes to that, does it not, in the long run, that accidents do arise from the neglect or carelessness of somebody; it may be at one part or it may be at the block station, or it may be at the point of crossing, or it may be at the station?—Yes.

Mr. *H. Oakley.*

13 June 1870.

305. That is a thing which it is impossible altogether to guard against?—Quite so.

306. We have discovered no system, neither the block nor any other, that will give us complete immunity against accidents?—No.

307. I presume you heard the evidence of Mr. Blenkinsop?—Yes.

308. Do you agree generally in what he stated?—Yes, quite so.

309. Is it within your experience that you may trust a jury with safety to do justice in the case of damage arising to goods, but you could not trust them quite as well in the case of injury to passengers?—Yes; but one ought not to lay the blame too much on the juries themselves, but rather on the evidence submitted to them. On the evidence submitted to them, I do not know that I can find very much fault with their verdict. No doubt, even allowing that they are influenced by the evidence with which I find fault, they give a very liberal consideration to that liberality, being almost always against the company.

310. Whoever may be to blame for it, it is the fact still, that you do discern a difference in the mode in which those cases are treated where they apply to goods and where they apply to passengers?—No doubt a very marked difference does exist.

311. You would not be, perhaps, very much discontented with the condition of things if they applied the law to the case of passengers that they do apply to the case of goods?—No, because that application of the law would influence the parties in dealing with us.

312. But, therefore, you think it would be to some extent a check to the way in which the sympathies of juries are excited and awaken in the case of passenger traffic?—Precisely.

313. Do you confirm Mr. Blenkinsop in what he stated as to the professional witnesses or advocates in case of railway accidents?—Yes; I could give numberless instances of cases where the professional charges have been outrageous and beyond bearing.

314. And also where those cases have been taken up as speculations?—Yes, I have that within my own knowledge too, certainly.

315. Have you also had any cases within your own observation where the neglect, in your judgment, was due rather to the sufferer himself than to the company which was ultimately made the victim?—Yes, in special cases that principally arises. There is a very prominent case of a lady who tumbled over a hole in the carpet, to whom we had to pay 1,500 *l.*; that was at Spalding, in Lincolnshire.

316. Mr. *Sherriff.*] Was that case settled out of court?—No, it was not settled out of court, it was settled in court after the judge had decided that the company were guilty of negligence in allowing the hole to remain in the carpet, although it was proved that there was no hole in the carpet early in the morning, from which I conclude that being in Lincolnshire, in a farming district, some gentleman with thick boots had kicked a hole in it as he went out, and this lady had unfortunately caught her foot in it as she came in or went out afterwards.

317. Mr. *Price.*] Do you think that if the accident in that case had been one to goods and not to a passenger the hole in the carpet would have been held to be neglect on the part of the company?—I do not quite see how it could apply.

318. However, that is the general tendency, at least, with respect to railway companies, and you think that railway companies require some protection?—The conviction in my mind comes almost to this, that the moment a man gets into a railway station he is at liberty to disregard every rule of common sense, and rely upon the company to keep everything out of his way through which he could possibly come to grief.

319. You also agree with Mr. Blenkinsop that it is not the principle of the law that you object to, but the mode in which the law is applied and interpreted?—Yes, to the result.

320. Mr. *Sherriff.*] Sometimes, in settling cases with solicitors, have they, as a preliminary, suggested that the costs should be paid without taxation?—I would rather put it in another way, which would answer your question, and that is, that we very often agree on a fixed sum for costs; it may be, perhaps, not quite moral, but we are not very particular about the amount of them, if we see our way to settling the case.

321. Any excess of them does not, I presume, go into the plaintiff's pocket?—No, it comes out of ours.

322. Sir *H. Selwyn-Ibbetson.*] Juries are apt to think, are they not, that human life is a little more valuable than merchandise?—Yes, and so they ought.

323. And yet railway companies seem to wish to reduce them to the same system?—No; pardon me, if any such idea has been conveyed it is entirely wrong.

324. The present action of the Board of Trade is merely an action of recommendation; they have no power of enforcing any of their recommendations on the different companies, have they?—No.

325. Would the companies object, do you suppose, to an extension of the powers of the Board of Trade, in the way of giving them authority for enforcing the recommendations of their officials?—I should like to know what the suggested powers are before giving an answer.

326. There are Government inspectors who visit the lines after every accident has occurred, and those inspectors are constantly making reports, many of them in one direction, with reference to the administration of the different lines throughout the country, but the Board of Trade say that they have no power to enforce their recommendations; do you suppose that the companies would object to an increase of the powers of the Board of Trade in that direction?—Yes, I think they would; because I think the experience of the managers, who will come after me, will be found to be this, that the inspectors of the Board of Trade have different ideas on the subject, and that what one man thinks highly of another does not.

327. Practically then the public would be given up this safeguard, if it is one (and practically I think it is), of the damages that may be assessed by a jury, and they will not get any further restrictions on the working of the different companies?—The answer which I should venture to make to that, is that any restraint which could be put by the Board of Trade, or indeed by anybody but the workers of the line, would turn out to be a mere sham. The limiting the penalty on a company is, in my opinion, only doing what is just; and

nd I say that we are in an unfair position at resent, and that we ought to be put right.

328. Mr. *Price.*] You would not object to that power on the part of the Board of Trade so much, if you were relieved of responsibility *pro tanto?* —If I get a *quid pro quo* for anything, of course I would not mind.

329. Sir *H. Selwyn-Ibbetson.*] If the liability to compensation were to be limited, would it not be wise to get some other supposed security, and that the Board of Trade should have greater powers given to it?—Coupling the two things together is erroneous; it is not quite correct to say that the companies are influenced in the slightest degree in the working of their line by the amount of compensation which they have to pay; I honestly believe, speaking within my own knowledge, that we all do our best with a view to the comfort and safety of the public; of course we cannot meet everybody's views.

330. Mr. *Sclater-Booth.*] Do you think that the experience of the officials at the Board of Trade is at all to be compared to the experience of the officials of those great railway companies? —No, of course it cannot be; still the gentlemen who represent the Board of Trade are intelligent men, and when they get a case put before them, they can give an opinion, but they are not conversant with the every-day working of a line, and it is on that, and on that only, that managers must depend as a guide as to how the thing is to be carried on.

331. Mr. *Denison.*] Is it not the fact that the Board of Trade inspectors occasionally suggest the adoption of improvements to railway companies, which they are not prepared to take the responsibility upon themselves, and notably in the case of the connection between passengers and guards for a long time there was a controversy went on?—Yes, that is so; but that was not by the Board of Trade inspectors, it was practically the action of the Board of Trade itself.

332. But on the suggestion of the inspectors? —Yes.

333. Whilst they were urging upon the railway companies the adoption of a means of communication between passengers and guards, they refused to take the responsibility of pointing out which should be the particular mode of communication?—Yes, that is the fact.

334. With regard to that particular accident at Spalding with the lady, have you any knowledge since acquired regarding her condition?—Yes, I heard that she was mistress of the ceremonies at a large ball given in her district a short time ago. That lady, it was said, would never be able to resume her occupation as dancing-mistress.

335. In that particular case, had you any information acquired through the solicitor, or any means of obtaining a knowledge of the objections which were raised to the cross-examination of the lady?—No, I was not present at the trial, and I have not heard that.

336. I mean as bearing upon the difficulty of the company's advocates having a fair right of cross-examination?—I think there was some objection made to the questions that were proposed to be put by the Solicitor General relative to her earnings.

337. Not with regard to her previous physical condition, or anything of that sort?—No, I think not.

Captain WILLIAM O'BRIEN, called in; and Examined.

338. *Chairman.*] YOU have been a Railway Manager for a considerable number of years, have you not?—About 30 years.

339. During that time you have been general manager of the North Eastern Railway Company? —I have been their general manager and secretary for about 20 years.

340. I will ask you first, generally, have you heard the evidence of Mr. Blenkinsop and Mr. Oakley?—I have.

341. Do you concur in their evidence?—On the whole I concur with those gentlemen.

342. Is that the opinion, so far as you know, of your directors?—I think it is.

343. Have you had many cases of compensation in the case of the North Eastern Railway?—Of course we have. It is a very large company. We have 1,275 miles of railway, and, of course, we have had a great number of compensation cases.

344. Do you think that you have reason to complain of the verdicts that have been given against you?—I think we have. I think that the working of the system, somehow or other, tells very hardly upon railway companies.

345. Can you tell the Committee what is the amount of compensation in the year, and what proportion it bears to your working expenses?— I have not thought so much of the working expenses. I can tell you the proportion it bears to the fund out of which it is paid; that is to say, the amount which we pay in our ordinary unguaranteed dividends; it comes to about 2 per cent. upon that, that being the fund out of which, necessarily, any excess of payments for compensation beyond what are properly due must be paid.

346. So that it constitutes a large item in your annual expenditure?—Yes, to that extent.

347. Does it amount to pretty nearly a fixed sum every year?—No, it varies a good deal.

348. It is not sufficient to make a regular average?—Of course you could take an average; but it would vary, I dare say, from $2\frac{1}{2}$ to $3\frac{1}{2}$; in a heavy year it might come to three times as much as in a light year.

349. Do you think that a heavy year shows any negligence on the part of your servants?— The fluctuation in the amount paid does not prove anything. As, of course, all the members of the Committee are aware, the amount of negligence may be excessively small; the fault may be really hardly appreciable, and it may be committed by a most excellent servant, and then it is a perfect chance whether it results in no accident at all, or in a very heavy accident that may cost 20,000 *l.* or 30,000 *l.*

350. It depends rather upon the chance of the particular passengers who are injured than upon the degree of negligence of the company?—Yes, entirely so. I should say distinctly it really has no appreciable reference to the negligence of the company. The amount depends entirely upon what we call the chances of the accident.

351. Do you think that if your liability was limited in the manner proposed by the Bill suggested by Mr. Blenkinsop, it would make any difference as to the degree of care taken by the

Captain *W. O'Brien.*

13 June 1870.

directors and their servants?—It would have no effect upon that part of the question in any way whatsoever.

352. You think that there is sufficient pressure upon the directors to work their line securely without it?—The amount that the company would have to pay under any circumstances of fair limitation, is quite sufficient to induce every precaution. My own feeling is, that in the end, penalties and unfair damages have rather a mischievous effect, so far as they have any effect upon the Board.

353. That is to say, do they make them feel that it is a perfect chapter of accidents?—Partly so, and partly this, that an excessive compensation creates a feeling of irritation; an irritation against a particular individual who may not be much to blame, and leads rather to uncertainty of opinion about the default of a man, than to a regular idea prevailing practically that the fault of the man should be punished according to the fault, and not according to the accidental consequences that follow it.

354. Do you think that the verdicts that are given by juries are given by them with any idea of punishing the company?—I think they are; I think that juries are a good deal misled by what is technically called negligence. In the first place, they are more led away by their feelings than by anything else, and by what a railway company admits, as they almost always do in every case, as technical negligence; and juries are led away by the idea, and assume that technical negligence means culpable negligence; and when their feelings are excited they give verdicts which, I believe, are intended to punish the company, and, I think that they have a kind of fancy that the more they punish the company, the greater will be the precaution taken.

355. Have you had any cases that you consider a great hardship upon the North Eastern Company?—We have had a great many cases in which we think we are hardly treated.

356. Upon the ground that you ought not to have been liable at all?—No; I really do not think that there are many cases in which something might not fairly have been given; but what we feel more is the exaggerated amount of damages given than the actual fact of some damages have been given. The only case I recollect that perhaps meets your question was that of a woman who was in an excursion train. Before the train came up to the place where it ought to have stopped, there was another train before it, and it stopped a little outside, and the passengers opened the doors in a hurry and this woman got out, not at the right place, put her foot upon a bit of coke and twisted her ankle, and I think we had to pay 200 *l.* where, really, I can hardly say that the company were to blame at all; still, I believe it might have been held that there had been some technical negligence in the bit of coke being upon the road.

357. Mr. *Reed.*] Was it at night?—No, it was in the day time.

358. *Chairman.*] Did the jury consider it a case of negligence?—It did not go to a jury; we fully believed that if it had gone to a jury she would have got something; they would have thought it a hard case that the poor woman should have been laid up, and they would have given something that would have carried costs, and the costs would have been a great deal more than what we actually paid.

359. What is about the amount of costs when you do contest a case?—We find, as a rule, that, taking both sides together, a jury case in our district costs about 300 *l.* on the average; that is to say, the expenses on both sides come to 300 *l.* I believe other companies more to the south find it comes rather larger.

360. Is it within your experience that the company has invariably to pay the costs of both sides?—We have had cases where we paid so large a sum of money into court (and we did it intentionally that it would carry costs), that the jury could hardly go beyond it; so that in those cases we have not paid costs; but, as a rule, we always do pay the costs of both sides. We find, moreover, that when we pay money into court, somehow it is contrived to be brought to the knowledge of the jury, and they will give a little more than what we paid in, intending that their verdict should carry costs.

361. Have you had any case before you in which the jury seem to have been actuated by a vindictive feeling against the company?—We have no doubt in our own minds, although it is not a thing which admits of proof; but a case occurred the other day, it was not a serious case, and the question really was whether any damages should be given at all, and therefore if they had given moderate damages I should never have complained; but we were told afterwards that one of the jury had some grievance, and he told the others openly that he had been disappointed about a horsebox in his own business, and he declared that he would sit all night rather than not give 1,000 *l.*, with a view of punishing the company; and the jury settled the matter by each man putting down what he thought was a fair thing and then they divided it by 12, and it worked out, I think, to 250 *l.* or 300 *l.*; this man's 1,000 *l.* distinctly and avowedly was given from a vindictive motive to swell our damages; we hear it is a common topic of conversation that a man has been disappointed about something or other, and he says, "Only wait till I catch the company in court, and I will make them pay for this."

362. What do you think is the best mode of ensuring safety to the public?—Purely confining myself to the safety of the public, I really do not think that you can improve much upon the present mode of insuring the safety of the public.

363. Do you think that everything is done now that could really be done to ensure the safety of the public?—No, I do not think that; I think that companies are now under the heavy pressure of public opinion, to say nothing of damages, and also a very strong feeling on the part of boards of directors that every accident is a discredit, and they have also the natural feelings of humanity about it. The real difficulty is to ascertain what is the best mode of securing the safety of the public; under our present system companies under that pressure are trying what they can do, and they go on improving in every possible way; then the Board of Trade gives what, I think, is very wholesome publicity to their faults, and I think that under that pressure we are going on steadily improving, and I have never heard yet of any suggestion that would tend to accelerate the rate of improvement. I think, on the whole, what has been chiefly suggested would rather damage it, and I think that great weight should be paid to the opinion of the Royal Commission, who pointed out that no mode of locomotion

motion had ever been invented that could in any way be compared for safety to the existing system, and they declined to recommend any alteration.

364. You do not think that it would be prejudicial to justice by limiting the liability, as Mr. Blenkinsop has proposed?—Not the least; I am quite clear upon that point.

365. The practical effect would be, that you would have a less sum to pay in the course of the year for compensation?—I believe that in many cases persons injured would get more. When it comes to a matter of compensation, the first feeling on the part of the directors and their officers is to ask, "Into whose hands has this case got?" If it is in the hands of respectable people there is no further question about it; the medical men meet and settle it; but if it gets into the hands of a particular class of practitioners we know what is coming, and then of course there is a feeling of antagonism got up, and we know it is to end in a fight, and we begin from the beginning directly to take every precaution to protect ourselves, first, against gross fraud, and, secondly, against extreme exaggeration. I would not characterise it as fraud, but still as excessive exaggeration. I can also say that there is a large part of what we pay which really does not finds its way into the pockets of the sufferers. To take a particular case: there were seven cases arising out of one accident, and the company paid 3,300 *l.* We inquired privately afterward amongst the people what they got, and we found that they had got 2,500 *l.*; the difference of 800 *l.* represented the mere costs of arriving at a settlement. None of those cases went to a jury; one, however, went as far as just before the briefs were delivered, but none went beyond that; so that 33 per cent. of what the people got was paid to professional men.

366. Have you reason to suppose that professional men trade upon those cases?—There can be no question that a certain class of professional men do so. We had an accident last year to an excursion train, and a good many people were hurt; of course, the excursion train came from one town, and almost all the persons were inhabitants of that town; the next day, or the day after, the whole place was full of solicitors and medical men, who came from Leeds and Sheffield, and they went about canvassing for business amongst the people that were hurt; others came later, and one told one of our own agents that he was very sorry that he had not been quick about it; there were six cases that we had settled, and he said that if he had only been there in good time he knew he could have stopped any settlement. I would further beg to say that the system of this class of men taking up those cases and extorting large damages is growing very fast; people are beginning to understand it, and it is becoming a very profitable business to those men who are not ashamed to take it up.

367. Mr. *Sherriff.*] Extorting large costs, or large damages?—They make no secret in talking over what their object is.

368. *Chairman.*] Do you think that any good would be done by altering the tribunal that tried those cases?—It has occurred to us that if it was possible to get a tribunal of rather, perhaps, a better character than the mixed tribunal of a jury, it would be an advantage; what we want also is, a cheaper tribunal. I think it is very hard for a poor man, if he has to put himself into the hands of a solicitor, who may be of the class mentioned, and on the other hand it is very hard upon the company. Most of those cases really do not involve any very great difficulty in arriving at a settlement; and therefore, it has occurred to us, that if some public functionary, such as a county court judge, would take the case and decide it, taking such evidence as he thought proper, there would be a great deal of money saved on both sides, and it would be settled more quickly, and I believe that the people that ultimately get the money would probably get more than they get now, and certainly the company would pay less.

369. What do you think would be the working of a system of insurance such as has been suggested?—My impression as to a system of insurance, if the liability was limited and insurance was made compulsory upon the company, is, that people would habitually insure to a great extent; not so much in single journeys, unless they were going long distances, as that they would take out annual tickets. A vast number of those men who travel frequently would take out annual tickets if they were granted at a low rate.

370. Would the sum that you receive upon those insurances be sufficient to meet the claims for accidents?—I am hardly a judge of that; but I think that we should be disposed to follow, as near as we can, the insurance companies..

371. Mr. *Hinde Palmer.*] Do you mean that the railway companies themselves should insure?—Yes; that it should be made compulsory for a railway company, whenever a passenger took a ticket, to insure his life up to a certain sum.

372. *Chairman.*] You do not mean compulsory upon the man, but upon the railway company?—Yes, compulsory upon the railway company, supposing the man wished it.

373. You have had some cases of extreme damages, have you not?—Yes, we have had cases of extreme damages.

374. Could you give us an instance of one?—The first I have got is a case where a person in Orders, a clergyman, paid us 1 *s.* 6 *d.*; he said he was shaken. It was rather a remarkable thing that there were 200 or 300 other people in the train, and not one of them was shaken; but he said he was very much shaken, and he laid his damages at 3,000 *l.* The case was exceedingly well got up, and we found that a scene was going to be made in court, and we settled it in court for 1,800 *l.* I am glad to say that the man lives where we are quite able to know how he has gone on since, and he certainly recovered exceedingly well, and does not appear to have had any difficulty in carrying on his occupation as before.

375. You did not see any difference in him before and after the accident?—Not at all. It is one of those cases that there is no dealing with, which I have been mentioning to-day. Now-a-days everybody gets a nervous shock, or a man's spine is injured in some way, and he complains of all those kind of feelings which no medical man can test; and this was one of those cases.

376. Can you mention a case of a third-class passenger?—Yes; one third-class passenger paid us 4 *d.*; he was a sailor, and his hand was contracted, and he made out that it was all in consequence of an accident on our line. Of course everybody who knows the habits of that particular class of sailors, knows that it is frequently the

Captain *W. O'Brien.*

13 June 1870.

case that a finger becomes a little contracted; still, he was a poor man, and the jury gave him 400 *l.*

377. What was the nature of the accident?—It was a collision, and no doubt the arm of the man was hurt.

378. You think that the contraction had nothing to do with the injury?—Our medical men were quite sure that it had nothing at all to do with it, but at the same time it was one of those cases which it was impossible to prove.

379. Mr. *Reed.*] Was it a personal award, or was it on account of his family?—It was for himself; for his personal injury; it had nothing to do with his family.

380. *Chairman.*] Could you also mention the case of another third-class passenger who paid 4 *d.*?—In another case a man paid 4 *d.*, and he asked 1,000 *l.*, and the jury gave him 600 *l.*, but the judge reduced it to 300 *l.* Then there was another jury who gave him another 100 *l.* It so happened as to this person, that we had the means of knowing how he got on afterwards in his trade, and we could not make out that he really had suffered anything worth claiming much money for. A very small sum of money undoubtedly ought to have settled it. I have a case of fraud, and I do not mention it so much from anything in it, except that fraud is one of those things that takes place and we are seldom able detect it, but because this was such a gross case we could detect it. The man was a doctor; he was upset in a train, a window broke, and his face was cut a little. He wanted compensation, and he said that his eyesight was injured. Of course we met this in the usual way, and had him examined by a medical man; we had him taken to London and examined by an oculist, who pronounced that his sight was not in the slightest degree injured. He then changed his tactics; he went down into another part of the country, and he said that he had got a nervous shock, and that his spine was injured. The man, being a doctor, managed it so well that he imposed upon a most respectable medical man. We happened by accident to hear of what was coming. He was talking of claiming 8,000 *l.*, and in this way he familiarised the minds of his friends and others, that he was very much injured and would make a great claim; when we heard this we were quite sure there was something wrong, and we were obliged to look after the case. It afterwards went to trial, and fortunately, having looked after it, we had evidence to show that it was an absolute and entire fraud, and nothing but a fraud. He claimed 8,000 *l.*; he laid his damages at 3,000 *l.*, and at the trial he offered to take 1,750 *l.* We paid, or rather we did not pay, we made what is a very general plan in Scotland, a judicial tender of 250 *l.*, and the jury gave him 88 *l.*, because he certainly had got his face a little cut. That was a case where the man attempted a fraud of a very gross character, which set us on our guard, and we found it out. This was a mere chance. If he had laid his damages at 1,000 *l.* we should have never run over all the country to find out that he was at hotels playing billiards and looking after his horses, and all that kind of thing; we should undoubtedly have paid it. But I wish to say this; that I do not think we suffer nearly so much from gross cases of fraud as we do from great exaggeration, and in cases where it is impossible to say the exact line where the naturally exaggerated feeling of a man and his friends passes into fraud. It is the minor cases that we suffer most from. They all know perfectly well that if we go to a jury, somehow or other we have to pay 300 *l.*, and therefore that 300 *l.* is a lever by which they compel us to pay something less than 300 *l.* beyond what we ought to pay for the whole compensation. Perhaps I should say, in reference to our experience of the proportion of heavier cases to minor, I have taken out the cases for one year, a pretty heavy one, and it happened we had 100 cases of compensation that we settled; five went to a jury, 95 were settled out of court; and in every one of those 95 cases unscrupulous practitioners could have put us to the expense of 200 *l.* or 300 *l.* in legal costs, and therefore they had the means of forcing us to pay double what we actually did pay; what we did pay was under 200 *l.* a piece.

381. Have you anything else to suggest to the Committee?—We had a case where a man paid 4*d.* and we had to pay 650 *l.*; it is the same sort of case exactly.

382. Sir *H. Selwyn-Ibbetson.*] Do you agree with the other witnesses in recommending the Bill, a copy of which has been put in for the direction of future legislation?—I agree with them as far as the principles of the Bill are concerned, which I take to be a limitation of the compensation and the company to be compelled to insure.

383. Do you think that under it those professional harpies would not make the same harvest, and would not exist in the same way?—That is my opinion, because we should know that the utmost we could pay was 500 *l.*

384. And yet in cases of injury there would always be a dispute between the parties and the railway company as to what proportion of that 500 *l.* was to be paid?—Yes, that would be so; but still we should know the maximum.

385. Would not those same people still exist under the hope of getting what are understood as the costs from railway companies, who always do pay them?—To some extent they would exist; but our difficulty is this, that when we would gladly settle for 300 *l.* they put the damages at 1,500 *l.*, and we must go to a jury about it.

386. You think that the public would get larger compensations under the limit of 500 *l.*, 300 *l.*, and 200 *l.*, than they do under the present system?—Including their insurance, certainly they would.

387. That is supposing you compel them to insure?—Yes, they would get much more if there was any insurance.

388. I think you said that the present system was, in your opinion, the best mode of securing the public safety in railway travelling?—Yes.

389. Do you think that all the recommendations that have been from time to time made by officers appointed by the Board of Trade are of no practical value?—On the contrary, I think them of great practical value.

390. They constantly recommend a totally different system to that which you at present adopt, and you say that that system which you have is the best that could be secured?—No. By system, I do not mean mere mechanical precautions; by system, I mean the system of publicity of trial in open court, of Government inspection, and of their doing no more than recommending. I think it would be a great mistake if the Board of Trade had the power of ordering actually what was to be done. I think that that would create evil rather than good.

391. Recommendations which they imagine to be

be for the public safety, you would allow to go year after year without being taken notice of, and you do not think that that suggests the idea that the Board of Trade ought to have the power to enforce suggestions of that sort?—Allow me to say that it is not an exact expression to say that they are not taken notice of; they are taken notice of, and great weight is given to them. I understand that if the Board of Trade had actual power, if that is what is suggested, you get into this difficulty, and it is a fundamental objection; you separate the power from the responsibility; you place the power also in one man's hand, and the mode of carrying it out you place in another man's hand, which is essentially wrong. You have further the fact, that the officers of the Board of Trade have given different recommendations as to what ought to be done, and you have another fact that if they once say that something ought to be done on their recommendation, their mouths are shut up from improvement. My view is that the companies do give great weight to the suggestions of the Board of Trade, and they carry them out where they find them to be right, and they do not carry them out where they think them to be wrong. In that way I think the present system has worked well.

392. With respect to this very recommendation which has been so frequently made to the railway companies throughout the country of adopting the block system, I believe with regard to the North Eastern Railway it has been so suggested?—It has been suggested.

393. In the case of the Castle Howard accident, I think that Captain Tyler made a report strongly in favour of the block system, which has not been adopted, I believe, on the North Eastern Railway?—Not at Castle Howard; it is adopted partially on the North Eastern system, but there is this difficulty, that nobody knows exactly what the block system is. The Board of Trade have used the phrase (I think you will find it in the Castle Howard accident) that they ought to adopt a good block system. There is the whole difficulty; you may adopt a block system that is bad, or you may adopt one that is good. The real meaning of the Board of Trade recommending a good block system is simply recommending something so vague that whatever turns up they have the advantage of saying that their recommendation was not attended to.

394. Is not the block system generally understood to be the preserving of a space of time between trains?—It is a great deal more than that.

395. That one station shall be telegraphed clear before the train starts from the other one?—Yes, precisely.

396. That is leaving an interval of space between two following trains?—Yes; then you have the essential difficulty of the machinery by which that is to be done. It is a very easy thing to lay down the principle that there is to be nothing in the way, because that is what practically it is; but the whole difficulty is in contriving the machinery that shall carry that out. You see there are many things to be taken into account: first, there must be physically nothing in the way; secondly, you must bring it home to the signalman, which is not so easy; thirdly, there must be no neglect on the part of the signalman; fourthly, there must be no defect in the transmission of the signal to the station two or three miles off by electricity; and fifthly, you must secure that the engine-driver shall obey his signal. We find that almost all accidents arise from one of those difficulties; not from the principle, but from the difficulties; the station master makes a mistake; the signalman makes a mistake; the signal does not work, and the driver disobeys.

397. I understand you to say that you have not adopted the block system?—We have adopted it partially.

398. Are you aware that on different lines where it has been adopted the number of accidents and collisions have diminished?—I am not aware of that, and, as far as our experience goes, it is not so.

399. I understand you only adopt it partially?—Precisely; and it so happens that, taking the distance over which the block system exists, the accidents per mile have been greater than where it does not exist, and you will find the same thing on the Great Northern Railway.

400. Has the system which you have adopted been what you have called a good or complete block system; namely, that an interval has always intervened between the trains?—Yes.

401. It is not the system which has been called the block system on certain railways where two trains are at the same time within the distance?—No, this is really what I understand to be an absolute block system; I wish to put it a little stronger than, I think, Mr. Oakley mentioned: that a vast number of accidents occur at stations. The block system is merely substituting or adding a back signal two or three miles off for the back signal that is now at the station; the signal now at the station is a better thing than the block system, because it is within sight of the man; he knows whether it is working or not; it is worked by a wheel, and not by electricity; and, therefore, every station under that system has a perfect means of protecting itself from accident at the station.

402. On the block system an answer comes that a telegram has been received, stopping the line; when you telegraph to a man that the line is blocked he answers you that he has received it, and therefore you are aware that your system is working?—That is all exact in theory, but those are the very things that men make mistakes about; they do not wait; they take for granted that all is right; and that is exactly what would happen under the block system.

403. I do not imagine that you could make men perfect by any Act certainly, but what I rather lay stress upon, as far as I have read evidence upon the subject, is, that it does reduce the possibility of mistakes?—It is a question of degree; and when so much weight is attached to the opinion of the Board of Trade officers, I take one case where they recommended the block system to be introduced, an accident having happened through the breaking of the draw-bar, and therefore the Board of Trade officer must have known that the block system could have had no reference to the accident, but still it comes in as one of his recommendations. In order to test what I believe is the real point which the Committee would like to know, namely, what is the additional safety that the block system would be likely to give. I analysed all the accidents on the North Eastern Railway to passenger trains from collision for 13½ years, and in those cases the block system would have had no effect, good, bad, or indifferent, on any but two, and those two cases were in a dense fog and a heavy snow storm, and I think it is very doubtful whether the

Captain *W. O'Brien.*

13 June 1870.

the block system would have been either good or bad.

404. Then you think that the inspectors of the Board of Trade in their recommendations have not been cognisant of all the bearings of the case, and have not reported accurately, in fact, upon it, because they state that in almost all those instances if the block system had been at work the particular collision, the evidence of which they had before them, would not have happened?—I do not say that they were not cognisant of it, nor that they had not reported accurately, but I say that the conclusion is clearly inaccurate; it is quite clear that the breaking of the draw-bar and the train running back into another train could not have been remedied by the block system; and yet in that particular case the block system was recommended. Again, in a case which occurred at Athington, the Board of Trade inspector pointed out very distinctly that the cause of the accident was not due to anything that would have been remedied by the block system, but, nevertheless, he recommended the block system. Again, I would say that my evidence is not against the block system, but it would go to this extent, that the block system does introduce dangers of its own, and one very serious danger is, that the substitution of the principle that the driver is to think that the way is perfectly clear, for the present system that he has nothing to think about at all, except to look at his signal, induces a habit of mind which leads to the neglect of signals, and that eventually will produce danger.

405. It leads to carelessness in the staff, you mean?—It leads to the driver thinking that the way ought to be kept clear for him; and I say that even with our system of express trains, we find that it does affect the driver of an express train more than the driver of an ordinary train, and will make him argue that everything was wrong, because the way was not kept clear for him, whereas, he had nothing to do but to obey the signal. I do think, looking at the reports of the Board of Trade, that that idea has to some extent biassed the minds of even the inspectors.

406. Then you differ to a certain extent from the gentleman who was last examined, who stated that the block system, he believed, did give great security on the lines where it was at work?—I can only speak from experience, and as far as my own experience goes, it is that, theoretically, it is certain; but, practically, it is not certain; still I am by no means an opponent of the block system at all; what I say about the block system is, that it is in some degree doubtful what you actually mean by the block system; it is immature, it is only experimental, and it is well known that opinions differ as to the best way of carrying it out; if it is a good thing, undeniably it will make its way over the railway system; if any part of the recommendation is not good it will be found out upon trial, and it will be remedied; and my own opinion is, that if you leave it alone it will make its way, but if you attempt to enforce it by legislation you will do mischief by enforcing upon the whole community a system that has not yet been sufficiently tried; I may say, as far as we are concerned, that the directors asked my opinion, and I said that I thought the better way would be to take one or two sections, and have it fairly worked out and tried; and I did that very much, because there are subsidiary arrangements in connection with it, which I think infinitely more important than the principle itself.

407. Would you mind stating what those are to the Committee?—The difficulty, as I said before, is getting the station clear and keeping it clear, and letting the signalman know it. Now a station is not a point, there is that difficulty; if you take the centre of a station, you must have shunting going on on both sides of it, and till all that shunting is done, you keep a train far off; to do that would involve the remodelling of probably a very great number of stations, so that the shunting of a train going in one direction shall be done on the opposite side of the station, and at many stations that will lead to at least three signal stations, because I am quite sure unless the system is carried out rigidly and effectually, you will introduce a danger rather than cure one.

408. You would object, I think, that it would be unadvisable to extend the powers of the Board of Trade in any way with regard to their recommendations?—I should object to their having compulsory powers of any kind, and I do so not as a railway man, but with regard to what in my judgment, is best for the country.

409. For the good of the country you do not think that occasionally the necessity of securing a good dividend on anything of that kind, works against the introduction of a system which might be beneficial to the public, on account of the expense?—I venture to speak of the company which I have been so long connected with, and I am quite sure that it never weighs with them for one moment.

410. You mentioned one case of compensation which arose out of a passenger getting out of a carriage before it came to the platform; recommendations on the subject of locking and unlocking of doors by the Board of Trade have been made occasionally to railway companies; would not it be an advantage to the public if some power of the Board of Trade had existed which would have enabled it to give, first, the safety of an unlocked door to the public generally, and then the security such as exists on foreign railroads, of a hasp or some invention of that sort on the carriage which would protect passengers from accident and yet leave the door open; if the Board of Trade had the power of enforcing their rules probably they would have enforced some such regulation as that upon the different companies?—I can hardly give an opinion about a rule that I have not seen or heard of, but of course the locking of the doors, as is well known, is a matter on which very different opinions prevail.

411. I presume you know that on the Continent they universally leave the door unlocked?—I believe so.

412. And that the door is secured by a hasp, out of the immediate reach of a passenger, which he must take some trouble to arrive at by which he can get out in case of accident at the open door?—I do not see how that could have prevented this accident.

413. Probably the very fact of having to reach out of the carriage to arrive at the hasp would have led persons to see that they had not arrived at the platform?—Those were excursion people, and if there was any possibility of getting out they would have got out.

414. That is one point upon which the Board of Trade have recommended that the doors should be unlocked; but the companies generally do continue

continue to lock the doors on one side of the carriages, very much in the opinion of many people to the prejudice of the safety of the public?—That is one of the cases I mentioned where there are differences of opinion, and who shall say whether the Board of Trade are right or wrong in their opinion? It so happens that I agree with the Board of Trade, and we do not lock our doors; but still other gentlemen whose experience is quite as great as mine, and much greater, have a different opinion.

415. Of course if it was not that this would be a check upon passengers getting out at the wrong moment from the carriage; nobody would dispute that having the doors unlocked was for the benefit and safety of the passengers?—I think that a great many railway men dispute that.

416. Such an accident as that, in which I was myself, at Abergele, was an accident where, if the doors had been all open, greater facilities would have been given to the people to get out of the carriages on that occasion?—Very likely. I have expressed my own opinion; but then, I say, other people think differently, and I think it would be a great mistake in the Government to force a system upon all railways upon which a widely different opinion prevails.

417. You would leave any system upon which the evidence was very strong merely to the management and opinion of the directors, and would not allow the Government to enforce its adoption for the public safety?—It is a question as to what you call very strong. I do not mean to say that one company should stand out against the whole world; but where there is a wide difference of opinion, I think it is better to allow a variety of experiments, and the general opinion of the country ultimately to prevail.

418. There is one other point which has been strongly recommended also, which is the locking of points and signals, and I believe in almost half the accidents of the last few years that has been strongly pointed out as being a great cause of danger where it does not exist. If the Government had had the power, probably it would have been enforced?—That is what I have said. From the moment the system was tried, and carefully tried, it has been making its way all over the country. The engineer of the North Eastern Railway, Mr. Harrison, has just invented a system of wedging facing points, the best thing, I think, of late years that has been invented for railway companies, and that is one of the advantages of leaving a company to do as they think best. I would not be prepared to say that all railways at once ought to be compelled by law to adopt that system. We say ourselves, try it, and perhaps some improvement can be made, and if it is good it will make its way.

419. Even though it is good you would not adopt it until each company found out its merits by working?—No doubt that would be by far the better way.

420. Mr. *Sclater-Booth.*] Do you not think that if the Board of Trade were sufficiently well founded in their desire to introduce an improvement to justify the result of the introduction of that improvement, it would be more satisfactory to you than to do it by an Act of the Legislature?—I do not think that the desire of the Board of Trade to introduce an improvement is any guarantee that it is an improvement.

421. If they were sufficiently well founded in their desire to introduce an improvement, if they had sufficient grounds for compelling the introduction of the improvement, it would be better, would it not, that the Legislature should enforce that introduction than the Board of Trade?—No doubt, if a thing is beyond all question an improvement, the companies will adopt it voluntarily, and there is no necessity for compulsion, but if it is not well founded, that is the whole point, and then, I think, compulsion is a mistake.

422. Do not you see any difference between the arbitrary action of the Board of Trade in the matter, and action after a Bill has passed through Parliament, when the pros and cons have been debated?—No doubt; and of course the advantage is this, that an Act of Parliament would not be passed until the necessity for the invention, and the advantage of the invention is rendered so clear, that nobody will object to it; then the companies will do it, and it will not require an Act of Parliament.

423. Mr. *Denison.*] Have you directed your attention to the Report of the Royal Commission of 1867?—Yes, I have.

424. You are no doubt familiar with these passages: "But it is impossible to form any reliable opinion upon questions as to the relative merits of appliances for safety on railways, without a long course of trial on a railway, and a full knowledge of all the circumstances attending their use. A Government department can only acquire such knowledge through the evidence of the railway managers, and thus practically the responsibility of adoption, or non-adoption, must finally rest upon the managers. Any attempt to regulate such matters by authority would necessarily tend to check all efforts on the part of the railway companies themselves, to improve these details of working"; is that pretty much your opinion?—That is entirely my own opinion, and it was those passages that I referred to, when I said that the authority which I quoted, speaking of the excellent means of locomotion and its safety, had distinctly refrained from altering our present system.

425. With reference to the answer just now, about the locking of doors, in which you say that you yourself are favourable to the unlocking of them, is it not the fact that excursionists generally are an unruly set, and not people who are very much in the habit of travelling?—They are not very amenable to discipline; they are in great numbers, and they can practically do pretty much as they like.

426. Is there not very considerable danger of people rushing out on the wrong side of the train; that is to say, on the six foot, between the up and the down line?—That is one of the evils of my plan of leaving the doors unlocked, and it does happen sometimes.

427. But dismissing that altogether, there comes the advantages which they would have to defraud the company by getting away without showing their tickets?—Yes; but we think very little of that.

428. Mr. *Hinde-Palmer.*] As to the block system, are you not aware that for a great number of years, not merely on one occasion, but for many years the block system has been recommended by the inspectors of the Board of Trade?—I am quite aware of that.

429. Have the railway companies themselves, in pursuance of those recommendations, voluntarily adopted the system anywhere?—To a certain extent they have.

Captain *W. O'Brien.*

13 June 1870.

430. But have they done so effectually?—I have no doubt that where it has been done they have found that it is an effectual system; that is to say, they have made the system as good as they can, but it is not effectual against preventing accidents.

431. But have they adopted the system which has been recommended year after year by the inspectors?—Some of them have, and some of them have partially.

432. You say that the objection to the system is, that it is liable not to be worked effectually, by reason of the carelessness of the servants and various other things; would not that apply to every system of signalling that is used on a railway?—Yes, but that introduces a principle that underlies all those arrangements; you may introduce a system which is very irksome in its working, and does not present at the moment a manifest utility to the man who is working it, and human nature is such that he will not work it regularly, whereas if you introduce a more simple and comprehensible system such as the present one is, although it is inferior, theoretically, but one that he sees has a good effect, he will use the inferior system more regularly, and therefore more safely than a theoretically better system.

433. You are aware, are you not, that communication between passenger and guard was enacted expressly by Act of Parliament?—I am.

434. Do you think that railway companies would ever have adopted that system if it had not been for that Statute?—I cannot say what they would have done. All I can say of it is, that since it has been adopted on our railway we have never had it used once; but that bears distinctly upon my statement that any system of clear utility would be adopted by the railway companies. It was not the Board of Trade that brought upon the railway companies communication between guard and driver.

435. Mr. *Price.*] Some one company adopted it, setting the example?—It sprung up out of the exigencies of railway working; one company adopted it, and the others followed.

436. Mr. *Sherriff.*] You are now speaking of communication between driver and guard, and not between passenger and guard?—Yes; that between passenger and guard has never been used on our line at all.

437. Mr. *Price.*] If all the railway companies were simultaneously to set to work to lay down the block system, you would not be able to get the instruments, would you?—It would take some time, I suppose.

Thursday, 16*th June* 1870.

MEMBERS PRESENT:

Mr. Dalglish.
Mr. Davison.
Mr. Denison.
Mr. Headlam.
Mr. Shaw Lefevre.
Mr. Lopes.
Mr. Mowbray.
Mr. Hinde Palmer.
Mr. Plunket.
Mr. Price.
Mr. Charles Reed.
Mr. Sclater-Booth.
Mr. Sherriff.

THE RIGHT HONOURABLE E. T. HEADLAM, IN THE CHAIR.

Captain WILLIAM O'BRIEN, called in: and further Examined.

Captain *W. O'Brien*. 16 June 1870.

438. Mr. *Sherriff*.] I THINK you stated in your former examination, that you considered the reports of the inspectors of the Board of Trade very valuable in their way; I want to know, from you, how you deal with those reports when they are the subject of inquiry by the officers, and by the directors, and in what manner you dispose of them; how are they dealt with when they arrive?—Perhaps it would make it clearer if I explain to the Committee the mode in which we deal with accidents, and the precautions that are taken against them. Whenever an accident occurs, or there is great risk of an accident, the case is fully investigated by the representatives of the various departments concerned; the evidence is all taken down in writing, and a joint report is made; the object of that being to obtain every view of the circumstances. Every one of those reports I examine myself with the greatest care, and I never delegate that duty to anybody else.

439. Are you now speaking of the action taken by the railway company before the report of the Board of Trade has been received?—Precisely so. Then periodical meetings of all the chief officers of the company are held, at which all these accidents are inquired into, and the reports considered, and the matter again fully investigated and discussed. Their opinion then goes to the directors, by whom the matters are again considered. In a case where a report is made by the officer of the Board of Trade, it is first carefully considered by the officers into whose hands it gets; it then goes to those meetings of officers, and is again considered; and it goes before the committee of the directors, who themselves inquire carefully into it; and finally, it comes before the Board. And I may add to that that there is naturally a strong bias on the part of the officers of the company, and of the directors, to carry into effect any recommendation of the Board of Trade, because that at once relieves them from a very serious responsibility; and, therefore, when those recommendations are not implicitly obeyed, the cause is that after all this investigation the officers of the company, and the directors, have come to a somewhat different conclusion from the conclusion come to by the officers of the Board of Trade.

440. Does any further communication take place between the Board of Trade and the railway authorities when you have come to a decision, that it is expedient to carry out the recommendation of the inspector?—I do not remember any case in which that has happened; but it may have happened. My memory does not serve me exactly; but I do not remember a case.

441. May I take it that the first wish of the railway authorities would be to carry out the recommendation of the Board of Trade, if it were possible, and that you only arrive at a contrary conclusion after having investigated the matter thoroughly, both directors and officers?—That is exactly so; our wish is to carry out the recommendation, and in a number of minor cases we do so without any question being raised at all. In those cases where we have come to an opposite conclusion, we think it is our duty to avoid giving effect to that recommendation.

442. With regard to the block system, about which some questions were asked you in your former examination, do you know the block system which is in operation on the Metropolitan Railway?—Yes.

443. Has the Metropolitan Railway Company any peculiar facilities beyond other railway companies for carrying out a complete block system on their line?—I think it has. I think its circumstances are peculiarly favourable for a block system. The traffic is not of a varied character; almost all the trains are passenger trains running at the same speed, running with extraordinary punctuality, and stopping at every station, and all the stations are somewhat of the same character; that is to say, when a passenger train has started, the station is really clear, and there is no risk in the following passenger train running right on into the station. I need not say that those are circumstances which do not occur on the great proportion of country stations.

444. Do I rightly understand you, that the difficulty of adopting what is called the block system, as it existed on the Metropolitan Railway, arises at the various stations throughout the country from the diversity of the character of the trains, and from the action at stations, such as shunting of goods, minerals, and the like?—The diversity of the character of the train and the uncertainty as to the hour; and of course, taking the North Eastern system, when a train starts from Aberdeen to London, you cannot say exactly, as they can on the Metropolitan system, the

Captain *W. O'Brien.*

16 June 1870.

the hour at which it will come to a station. Then, between passenger trains, we have in the country a vast number of goods trains, and coal trains, all running at different speeds and following in such a stream that really it is a point of safety to avoid, if possible, an accumulation of trains at any place. Then the stations are wholly different from the Metropolitan stations; the interruption to the line is by no means over when the running train has left the station. You have sidings and junctions at both sides of the stations for business of all kinds and description; and therefore the real danger begins as soon as the running train has got out of the way, for some operations have to be done at the stations, and that must necessarily obstruct the main line, unless, I should say, nine-tenths of the stations were remodelled, and a vast expense gone to, for that particular object, and therefore the advantage of the block system would not apply in 99 cases out of 100 at our stations.

445. But does not that diversity of the traffic, and the danger which arises from it, bring you to the conclusion that, if you could adopt a block system, it would be a most desirable thing to avoid accident, if it could be applied?—I think I said before that in principle the block system is quite perfect; the whole difficulty is the application of the principle, and there, I think, to apply it indiscriminately will cause it to break down, and in many cases produce accident. I am clearly for applying it under certain circumstances, but not for applying it indiscriminately and generally without reference to the circumstances. And we do attempt it at stations in this sense, that every station, by means of its back signals, has a perfect means of protecting itself, if people will only put the signals on, and the drivers will attend to them; and they have this advantage, that they see the signal. A man looking before him can see whether he is protected or not, and that is the essential principle of safety. Our orders are, for instance, that a driver is not to obstruct the main line at a station until he sees the signal turned on; and if people would only obey these orders very few of those accidents would occur, whereas, if you adopt the block system, you are only blocking the station rather further off; you are doing it in a less perfect way, and you are conveying, and this I think a great deal of, to the mind of the driver the notion that the way is to be kept clear for him; and whatever your rules may be, if once a man gets that thought into his head he will disregard the signals more than he does now.

446. But you have another element of safety in the block signal, have you not, that you have a return message that the signal has been received that a station is clear, and that a train may come on?—It is so, and that is a very valuable point indeed, but it is an additional signal given, and it again complicates still more what is quite complicated enough; and I may say that it is not so easy a thing as some gentlemen think, in the first place, to get the line always clear; and, secondly, to bring the knowledge of the fact that it is clear on all sides of the station and to any distance, home to the knowledge of the one man who has control of the signals, and it is not very easy to bring to that one man the power of manipulating the points, because they are spread over a wide extent; therefore, the difficulty of the block system is very much in the complexity of the station arrangements; and the more complex they are, the more certainly they will be neglected or misunderstood, and therefore I hesitate to substitute a system of this kind untried, notwithstanding its advantages, for another system which we have tried for a very long time, which our men thoroughly understand, and which proceeds on a radically different principle, that the drivers are not to assume that the way is to be kept clear for them, but that they are to use their eyes, and especially look out for signals.

447. I suppose, in carrying out the block system perfectly, the whole of the operations at a station in shunting, and in showing signals, ought to be in the power of one man?—Yes; if there is any mistake as to that one man, it is a source of extreme danger.

448. Then in the case of a station, which has a variety of operations, such as shunting minerals, goods, and the like, you would have to communicate to this one man, and if he could not carry out the system of signalling, and moving the points himself, others would have to convey to him the information that on that particular section of the station the line is clear?—That is so.

449. And he, on his part, on receiving that from the different points at the station, would communicate it to the station in the rear, that trains might come on?—Yes.

450. And you apprehend danger from the variety of signals which would be necessary to bring that about?—I do; and there is a further signalling system that you have not mentioned, but which must follow; the shunter at a particular end of a station must signal to the signal box that the way is clear, and the signal box must signal back to him when he may begin shunting again; and there is a feeling growing up in the railway world that already we are getting perhaps rather too many signals; and if we have so many more, I think it is an additional complexity. Whether that can be got over or not, I will not say, but it is a thing to be kept very carefully in view, as undoubtedly an element of danger.

451. Then is your attention, at all events, and that of the directors of the company that you represent, devoted to carrying out this block system, wherever it is practicable to carry it out?—We are introducing it gradually. There are certain places where the officers had no doubt at all that it was the right thing to do, and there it has been done, and there are other parts where I think it may be introduced without any difficulty, but where the actual safety is so great no accident having occurred for a vast number of years that it does not seem necessary. There are other cases in which I have suggested to the directors that it would be advisable to try it only as an experiment, because it involves a great many of what I call subsidiary arrangements which chiefly refer to the remodelling of the stations, removing colliery junctions to different places, and works of considerable difficulty. I have suggested that it should be tried, and if we find that they can be remodelled and everything made to work right, it would be additional evidence in favour of the system, and an additional inducement for us to extend it still further.

452. Mr. *Hinde Palmer.*] If it were possible to make the block system perfect, as far as perfection can go, would it not be the greatest security which you could have against accidents?—I do not wish to raise any question about words, but I was going to say that the possibility

bility of making it perfect assumes the whole question. What I say is, that it brings necessarily with it its own dangers.

453. You say that the danger is of lapsing into too many signals; if the block system could be adopted, would not it be the means of doing away with a great many other signals if it could be made to act?—Many people think so.

454. Is it not obvious?—I think not obvious, because on that I have asked managers, who have a better opinion of it than I have, the very question. Are you going to do away with the back signals at the stations? and the answer is, certainly not on any account whatever; the block system is to be in addition, and not in substitution; and I may say now my own opinion is, that if you did away with those back danger signals you would be introducing a very great element of danger. If those are done away with, I should feel on our line that I would rather not undertake the working. I would rather give up my situation than undertake it, as far as any responsibility was laid upon me.

455. Mr. *Sherriff.*] At what distance on each side are those back danger signals generally from the station?—They used to be 600 yards, but of late years the weight of the trains, and the speed of the trains, have so much increased that we now lengthen them to 800 and 1,000 yards; and great pains are taken, or at all events ought to be taken, that they are put in such a position as to be visible, if possible, 800 or 1,000 yards further.

456. So that the man who used the lever shall see that the lever acts?—It is a very essential point that the man who uses the lever shall actually see that the signal is turned on, and at night that it is actually lighted, because occasionally signals go out.

457. Mr. *H. Palmer.*] Mr. Oakley told us that the adoption of the block signal system would effectually prevent accidents between stations, although, as you say, accidents may happen by shunting at stations, but he said that accidents between stations are entirely prevented by the block system; do you agree with that?—I do not think that Mr. Oakley himself would say that he meant that literally. I can say exactly what I believe to be his meaning, and what is my view also: in the first place it cannot possibly be true that it provides a perfect immunity from danger, because in our own case on one of the short bits of line where we established the block system, an accident did occur out of a misapprehension and disobedience of orders; but an accident did occur, and it was by no means clear but that the block system did, in that particular case, rather tend to the accident than not. But what I understood Mr. Oakley to wish to convey to the Committee was this, that in the first place, setting aside accidents at stations, it would really be of use in preventing one passenger train overtaking and running into another passenger train, and to that extent I, in some degree, agree with him.

458. And that would be a great advantage, would it not?—The point of your question is in the word "great;" I tried to convey to the Committee the other day, not so much my opinion as the facts, namely, that in almost all such accidents for 13½ years, the accidents would have been prevented if people had only obeyed their orders, and if, under the present system, people had worked properly. I could only find two cases where the block system would apparently have been of use, and those not very distinct.

459. The accidents which chiefly occur when the block system is at all in force, are chiefly at the stations, are they not, from shunting badly, and so on?—Accidents chiefly occur at stations, whether the block system is in force or not.

460. Mr. *Price.*] Supposing that the North Eastern Company were to lay down the block system over the whole of their line, and then, after so laying it down, an accident happened, do you think that the fact that they had incurred the very great expense of laying it down would, in the smallest degree, influence a jury in the amount of damages that they would award?—Not the slightest.

461. They would not consider, in mitigation of damages, that you had taken so much extra pains or care to avoid accident?—Not the slightest; I think there is this difficulty in laying it down partially, which your question suggests, that if it is laid down partially, a jury would be apt to jump to the conclusion that it was admitted by the directors to be a proper thing, and that therefore the not laying it down universally, even in branches where there is next to no traffic, was a piece of culpable negligence on their part, and ought to be punished very heavily.

462. But the laying of it down over the whole line, and taking all additional precaution that could be taken, would in no way affect the jury in the mode in which they dealt with the damages?—Certainly not, because a man has to be compensated for injury done to him, and it is nothing to the jury how it happens to be done.

463. And the company can afford to pay?—Of course that is their great feeling, that it is a rich company and a poor man, and therefore the company ought to be made to pay.

464. Mr. *S. Lefevre*] Could you provide the Committee with a list of the accidents which have occurred on your line during the last two years, with the number of persons compensated, and the particular facts of each case; showing the number of persons injured in each case, the amount paid in each case claimed, and also the law costs?—Yes, we will furnish it as near as we can in the way which you put it; but very often the law costs are mixed up with the sum paid, and we cannot separate them. Of course our own law costs come in a different way, and I do not know how we could include them.

465. At all events, the costs that you paid to the other side would have some relation to your own costs probably?—Yes, they would have some relation.

466. I presume that the greatest quantity that you pay away is for accidents not resulting in death, but in injury?—Very much the greater part.

467. Therefore Lord Campbell's Act had comparatively a small bearing upon the case?—Very small; it has a very important bearing upon a particular case, but it has a very small bearing upon the greater number of cases.

468. It only added somewhat to the amount; you have to pay more in those cases where death occurs, but death occurs in comparatively few cases as compared with injuries?—It occurs in few cases, but the cases in which it occurs are serious cases.

469. Still very large amounts are paid for injuries done in individual cases?—Yes, very large amounts.

470. Mr. *Sclater-Booth.*] When you make out that return, will you add a column showing the difference

Captain *W. O'Brien*. — 16 June 1870.

difference between the amount claimed and the amount paid?—Yes, as far as I can.

471. Mr. *S. Lefevre.*] Will you also add the number of your own servants who are injured or killed by railway accidents. I do not think you return that to the Board of Trade at present?—I think the idea was that we should make a return to the Board of Trade of servants killed by running trains; but if a man is shunting waggons about with a horse, and he trips and a waggon goes over his foot, I do not think that that was intended to be sent to them, and those form a large proportion of the accidents. If you will take 1867 and 1868, I think I could give the cases more completely, because a number of cases have occurred in 1869 which are not yet settled; 1867 was a heavy year; 1868 was, I think, comparatively light, and 1869 was rather heavy again.

472. Does your company pay any compensation to their servants when an injury occurs to them through an accident?—If it is an injury, and if a man is fit for work, we try to keep him in our service, but if it is death, we pay a certain sum of money, in proportion, to his relatives. We treat it as a case of charity; the man has no legal claim upon us. The directors endeavour to provide for the man and his family as far as they properly can.

473. In fact, if the man himself has in no way contributed to the accident, his relatives have no claim?—The directors do not look to that; they look rather to the case of the family and the hardship. There is no legal claim at all, even although the man has not contributed to the accident. We are on the footing of all other employers of labour; the man voluntarily undertakes a dangerous service, and I suppose that there are no employers of labour whose servants are hired on any different principle.

474. What kind of sums do you pay to the relatives when death occurs?—It varies in every case.

475. Can you give at all an idea of what the amount is?—It has grown up without any question at all. A sum of 10 *l.* is given where there is no particular case of distress; where there is a case of a family it rather comes to this, that we employ the children, and put them into our service, and give them employment rather than a sum of money.

476. But otherwise it is a small gratuity?—Yes.

477. Could you say in your experience that the railway company has adopted any improvements with the view of preventing accidents, owing specially to the heavy compensations which have been brought to bear upon them?—No; we are always improving as far as we see the way to improve, but that of course has no reference to any particular amount that we have to pay in a particular case.

478. I presume that the inquiries sometimes bring out particular causes of accident which might be removed by a different system of management?—All inquiries to a certain extent bring out points capable of amelioration; but some of the most valuable inquiries are those where there has been merely a very narrow risk of collision, and nothing has happened; but, in truth, almost all cases arise out of negligence by servants, or imperfection of the signal, or something of that kind.

479. Do you think that a great number occur owing to the negligence of servants rather than to a bad system of management?—Beyond all question; I have no doubt at all upon that point. My own belief is, that what you call the system has very little to do with it; but I believe that a very great deal depends upon a careful and exact system of discipline, and the punishment of all faults, whatever the consequences, with great certainty, but with moderation.

480. Mr. *H. Palmer.*] You say that accidents often occur from the negligence of the servants; is it not very often the case that the servants are employed a great number of hours, almost beyond what their physical strength can bear?—Of course speaking only of my own company, I say distinctly that it is not so.

481. But there has been, I believe, a distinct report that such is the case with reference to some companies; how many hours should you consider to be the limit during which a man's attention could be kept alive in any responsible position; take a pointsman, for instance?—That would depend upon the amount of duties that he has to do. There are some pointsmen that might go on 24 hours' round, their duty is so slight; but if you take a case such as perhaps you are aware of, the Great Northern Station and the entrance to the tunnel, I should think that if a man was kept there from six to eight hours, it would be quite as much as he ought to be.

482. You think that for such a post as that 15 hours would be rather too great a strain?—Yes, for such a post as that, certainly; we endeavour to regulate the hours according to the amount of duty.

483. Can you give any sort of average of the number of hours that they are engaged in actual employment?—It does not admit of an average.

484. Mr. *Reed.*] Have you had any experience with reference to workmen's trains specially for the working classes?—We are entirely in the country, so that question does not affect us in any way whatever.

485. I thought you had them on one part of your line?—No, there is no place on our line where they would be of the least use.

486. Mr. *Lopes.*] Is it the fact that every care is taken in the selection of servants by railway companies?—There is great care taken, but it is a difficult thing to do; and we find, as a rule, that cases of negligence occur, not from the man being a bad man, but in doing those duties over and over and over again; he some day makes a slip and a miss, and all he can say is, "I am very sorry for it, it never occurred for the last 15 years, and I do not know what I was thinking about at the moment."

487. Do you know, as a fact, that those accidents have frequently occurred in the case where the servants have had charge of a train who have been a great many years in the service, and have borne good characters?—That constantly occurs.

488. With regard to Lord Campbell's Act, do you know whether it is a fact that the verdicts of juries are more reasonable and fair in cases under that Act than in the ordinary case?—I have not had that before me, and I am hardly prepared to give an opinion upon it.

489. There is a limit in the case of Lord Campbell's Act; are you aware that a claim can only be made to the extent of the interest of the parties who make the claim?—Yes, but the jury are the judge of the extent.

490. But they are limited to that, and the inquiry

quiry is not so broad?—I doubt if it is any practical limit.

491. Has your attention been drawn to the difficulty which railway companies have in settling those cases where the claim is a fair one to a certain extent?—There is no very great difficulty in settling a fair claim; that is, of course, what we think fair.

492. But after it has reached the hands of the professional gentlemen, is the difficulty increased then?—That depends upon the class of professional gentlemen. We sometimes get most respectable solicitors and medical men, and then we never have real difficulty except from exceptional cases. Our great difficulties are with the other class.

Captain *W. O'Brien.* 16 June 1870.

493. Those cases very often, I believe, fall to the lot of professional men who are not very high in their profession?—That is so, and that system is growing very fast, which is the reason why we look at it with great apprehension.

Mr. Robert Stanley Mansel, called in; and Examined.

494. *Chairman.*] You are the manager of the North London Railway Company, are you not?—I am.

495. How long have you performed that duty?—I have been with the company about eight years.

496. Are you cognisant of the number of accidents and claims that have occurred against that railway company?—I made out a return a short time since of the number of accidents on our line.

497. Will you provide the Committee with such a return as was suggested just now by the Secretary to the Board of Trade?—The return that I have in my hand would give that information. This return is made out for the four years, 1866, 1867, 1868, and 1869; and I find that during those four years we had 11 accidents. I am now leaving out all cases of parties getting slight injury, such as pinched fingers, and so forth; but those were the number of accidents arising from accidents to the trains. There were 121 claimants, and the amounts paid, including medical and legal expenses, were 18,196 *l.*; the total fare received from the claimants amounted to 3 *l.* 0 *s.* 6 *d.*, being an average of 6 *d.* per head. With the permission of the Committee, I will hand in this return.

[*The same was delivered in, and is as follows*:—]

North London Railway.

Summary of Claims for Compensation for Accidents, 1866, 1867, 1868, and 1869.

Date.	Total Number of Accidents.	Number of Claimants (deducting single cases).	Claims Paid.	Medical and Legal Expenses.			Total Payments.		
			£.	£.	*s.*	*d.*	£.	*s.*	*d.*
1866	4	74	7,078	1,516	10	1	8,594	10	1
1867	3	29	4,155	605	19	8	4,760	19	8
1868	3	11	536	1,442	4	2	1,978	4	2
1869	1	7	2,749	114	5	10	2,863	5	10
Total -	11	121	14,518	3,678	19	9	18,196	19	9

Average fare received per passenger, 6 *d.*
Total receipt, 3 *l.* 0 *s.* 6 *d.*
The expenses are 25 per cent. of the claims.
Average payment per passenger, 150 *l.* 7 *s.* 9 *d.*
Total payment, 18,196 *l.* 19 *s.* 9 *d.*

498. What is the length of your railroad?—The whole length worked over is about 20 miles; the actual length of the North London proper is about 10 miles.

499. Your fares are very low, upon the average, are they not?—They are very low.

Mr. *R. S. Mansel.*

500. What is the first-class fare for the whole length?—The first-class fare for the whole length worked over is about 1 *s.* 3 *d.*

501. What is the third-class fare for the whole length?—We have no third-class; we only run two classes, first and second; the second class fare for the whole length is 1 *s.*

502. Is your railway worked upon the block system?—Yes, it is a metropolitan line.

503. And are the trains all supplied with continuous breaks?—Yes, the trains are all supplied with a very powerful continuous break.

504. Before you were employed on the North London Railway, you were employed on the Chester and Holyhead Railway, were you not?—I was with the Chester and Holyhead Company for 10 years, and subsequently with the London and North Western, in charge of the Northern division of their line.

505. What capacity did you fill there?—I was the traffic superintendent for the northern division.

506. Had you any opportunity of knowing about the compensations they had to pay?—Yes; all those for my division passed through my hands at that time.

507. Will you give the Committee your general opinion upon the subject as regards compensation?—We found there, and since, I have found the same thing, that there are two classes of accidents that we have to deal with. The first class is where there is an amount of injury at once apparent. We may take, for instance, the case of a man who shows some external mark of having been injured; but there are a great number of cases, and they are a very great majority, where there is no external mark at all; but a complaint is made of an internal shock of some kind (something of which there is no external sign); and those are the cases which we have the greatest difficulty in dealing with, because there is a very great difference of medical opinion about them; and many of those cases we find are fought up to a certain time, that is to say, until a certain amount of costs are incurred, and when the utmost amount of costs are incurred the case will be compromised. But in almost all cases we are very much in the hands of the advisers of the claimant; very much depends upon the character of the party who advises him.

508. Mr. *Lopes.*] A claim generally divides itself into two heads, does it not, namely, what may be called the personal injury, and the expenses?—That is so.

509. To say nothing about the personal injury, what has been your observation with reference to the amount and character of the expenses claimed,

Mr. *R.S. Mansel.*

16 June 1870.

such as medical men, and going to the sea-side, and matters of that kind?—In the case which I was speaking of just now, the return of accidents on the North London Line, the medical aid and legal expenses amounted to 25 per cent. of the total amount paid.

510. Does that include miscellaneous expenses, such as going to the sea-side, and matters of that kind?—Yes, that would include the whole of them. The sea-side expenses would be included in the amount of compensation paid to the man; the medical and legal include simply what is implied by the terms.

511. Of course, in those cases particulars are always applied for, and the particulars of claim are delivered; has your attention been drawn to those particulars, as to their amount and character?—Yes, very frequently.

512. Have you observed that they are honest, or fraudulent, or what?—In very many cases it is a question rather of whether anything was necessary to be incurred at all. I could better give an illustration as to what I mean by mentioning a case. A man, having travelled by a railway train to which there was an extremely slight accident on a Saturday, made no complaint whatever, nor did he find himself any worse till the Tuesday following, when he went to a medical man, and, stating that he had met with an accident, asked him what he advised him to do. The medical man at once, without going very deeply into the case, said "Go away for a little rest and change;" which he took at once as an authority to him to go away for three months. We heard nothing of this case till three months afterwards, and then heard that he had been away by the sea-side.

513. Has your attention been drawn to a case about a fortnight ago, the case of Statham against the London and Brighton Railway?—I have seen the report of a case.

514. Did you observe that it was a case where 500 *l.* was originally claimed, and six months afterwards it was raised to 3,000 *l.*, and that the jury returned a verdict for one farthing, which was afterwards supported on appeal in the Court of Common Pleas?—Yes, I observed that case.

515. Mr. *Sclater-Booth*] You spoke just now of the disproportion between the sums that you had paid in compensation, and the amount that you had received in fares from the persons compensated within four years; there was one case, was there not, which particularly went to aggravate that discrepancy; would you mention that one case?—We have had several cases where there has been a very great disproportion; but the most aggravated case was one where a party, having paid a fare of 4 *d.*, which had to be divided with another company, the North London Company's proportion being three-eighths of a penny, recovered 2,300 *l.* There is another feature about those cases, which is, that very frequently when you are enabled to trace them afterwards, you find that there is a very speedy recovery after the compensation is paid.

516. Mr. *Reed.*] Referring to the North London Railway Act of 1861, clause 45, you came under conditions, did you not, to run trains for the labouring classes?—We did so.

517. How do you fulfil that condition?—I think we were bound to run one train each way daily, if I recollect the terms of the Act, and we made the workmen's tickets available by all trains up to a certain hour in the morning.

518. Could you name those hours?—I think, speaking now off-hand, the trains begin about a quarter past six, and run every quarter of an hour up to seven o'clock. The Act provides that they are to be run before seven o'clock in the morning.

519. To what points of the line do you run those trains?—The points prescribed by the Act, between Dalston and Broad-street.

520. In the formation of your railway a large number of the labouring class were displaced from their dwellings in the city, were they not?—Not a very large number.

521. Was it not to meet that want that this clause, 45, was inserted in the Act?—It was to meet some supposed want of the kind.

522. That those who had been displaced from the district of Bishopsgate, and other parts of Norton Folgate, should have an opportunity of coming in to their labour upon cheap terms?—I am not aware that we displaced any number of that class in that particular neighbourhood. A great number of artizans, who are the parties contemplated in the Act, resided in the neighbourhood of Dalston, Homerton, and Haggerstone.

523. There is a very much larger number of working men residing at Homerton than at Haggerstone or Kingsland-road?—I am not aware that there is. I know that it is a very populous district, and there may be a very large number of that class there.

524. Have you given the advantage of the workmen's tickets to anybody living in Homerton?—No; for this simple reason, that by a subsequent Act the liability of the company in case of accident is limited to 100 *l.*, but that extends only to those trains run between Dalston and Broad-street; and if the trains were extended beyond that distance we should become liable under the general Act for any compensation.

525. What distance is Homerton from your city station?—It would be between 3½ and 4 miles, nearly 4 miles.

526. What is the fare for a return ticket to a working man?—Sixpence.

527. Can he avail himself of the benefit of the workmen's ticket near his residence, for instance, at Victoria Park, or at Homerton, or at Old Ford?—The workmen's tickets are only issued, as I stated just now, between Dalston and intermediate stations, and Broad-street, but by coming across, from Homerton to Haggerstone, which is a direct route across, he would get the benefit of the workman's ticket.

528. Are you aware of the distance from the station at Victoria Park to the station at Kingsland, where he can get a workman's ticket?—Yes, it would be about three miles.

529. And, therefore, a man must walk from his house three miles to enable him to take advantage of your workman's train?—There are very few parties of that character resident in the neighbourhood of Victoria Park. Homerton is considerably on this side of Victoria Park, and there is a direct route, and a much shorter one, from Homerton to Haggerstone.

530. Then a man living at Homerton, two miles from Kingsland, must walk that two miles when he comes to town to entitle him to have a workman's ticket?—He would be able to get his workman's ticket as between Broad-street and Dalston.

531. He can only go by your railway by paying 6 *d.* fare?—That is so.

532. You

532. You have made some recent provisions in favour of the working classes by running more frequent trains, I believe?—We run an earlier train, at half-past five in the morning.

533. Are you not aware that there is great dissatisfaction on the part of a large body of the labouring population who have been displaced from their dwellings and living upon your line, and have no means of coming to their work in London and returning, except at the rate of 6*d.* a day?—No, I am not aware of anything of the kind. On the contrary, I know that when the working poor themselves were asked about the subject, they did not express any wish for the trains.

534. Have your company had no remonstrances on the part of such persons, living in Homerton, for instance?—None on the part of the working men themselves. We have had some communications from an association called the Metropolitan Association for promoting cheap travelling for the working classes.

535. Composed of working men?—It was composed of a committee who were acting on their behalf, but I have not found that the working men showed their appreciation of it.

536. You showed your appreciation of the movement by making alterations, did you not?—We did not make them in consequence of the representations of the association, because the trains which were then asked for fell through altogether. But it was represented by some parties living in the neighbourhood of Dalston, who were chiefly salesmen at the markets, that they wanted to be in town early, and that an early train would be convenient to them, and we put it on, and workmen's tickets were made available by that train; but the result has been that the number of working men is very few indeed; they do not constitute one-half of the train as a rule, and the whole number generally carried is not above 60 in a train.

537. Do you run third-class carriages at all upon your line?—We have no third-class carriages. We have but two classes, but we run at third-class fares.

538. This is 6*d.* a return ticket?—Yes, for the distance you mentioned; but you must bear in mind that that is a distance of four miles, therefore it is less than the Parliamentary third-class rate.

539. Do you allow women, who are engaged in work in London, to travel at the same rate from Dalston to London, as men, upon a certified knowledge that they are working women?—There would be no objection to their travelling the same way, but I am not aware that there has been any application made on behalf of them.

540. What is your reason then for refusing to a working man at Homerton on the same line, just beyond Dalston, the privilege given to the man who lives at Dalston?—I stated just now, because in the one case we are protected by the limit of liability under the Act, and in the other case we are not.

541. Then it is a question of your liability for accidents?—There are two questions involved, namely, that of liability, but there is also the question of expense of running those trains, whether they would be remunerative or not. Our present experience is that those trains have never been remunerative, and we have tried them upon several occasions.

542. Do you suppose that they ever will be remunerative at the cost to a working man of 6*d.* for a return ticket each day?—But the cost to a working man is not that; by the trains that I am referring to he travels for 1*d.*, and they are not remunerative.

543. Do you consider that there is any importance in the fact that working men will not walk two or three miles to avail themselves of those tickets?—I do not think there is a great deal in that; I think you will find that the difficulty exists in this way, that a working man's work does not always lie in the same direction. For instance, a man employed in any large works is sent out to work to-day at one place, and another day he is at another place; and there are no great number of them coming direct into the City daily for their work.

544. Can a working man take a ticket at Dalston for a day on the reduced terms, the workmen's train terms?—Not now.

545. You oblige him to take a weekly ticket, do you not?—Yes.

546. And yet I understand you now to say that his work is so varied and lies in such different parts that it is difficult for him to avail himself of the ticket?—I say this, that a man whose work lies regularly in the City takes a ticket out for a week, but the other man whose work lies in other directions does not get the same advantage.

547. Could you not give a return ticket daily on the reduced terms?—There is no impossibility about giving a return ticket; but we did for a long time issue those penny tickets, and we found that they were not in any request; there were very few issued. I was surprised when I saw the return of the very small number that were issued.

548. Do you only run first and second-class carriages on your line?—Only first and second-class.

549. So that the poor have no chance of going third class if they wish?—That is not so, properly speaking, because the fares for the first class are third class fares in many cases, and in no case are the fares more, unless for intermediate stations, than the parliamentary third-class rate.

550. Mr. *H. Palmer.*] Your railway is worked on the block system is it not?—It is.

551. Have you any other signals whatever besides the block signals?—We have the ordinary signals, main and distance signals.

552. Do you find that using the block system induces any carelessness in the servants in observing the other signals?—Yes, to a very great extent that is so.

553. Can you give any instance of it?—I can give an instance in this way; the ordinary regulations of railways provide that in the event of any accident happening to a train between stations, the guards are required to go back with the signals, but it is not a thing that the men are very fond of doing generally, because they run the risk of being left behind; and in that case, by relying upon the block system, the line being blocked back at the station in the rear, the men are very apt to neglect going back at all with any signals.

554. But you say that they could go back when an accident occurs between the stations?—But I say it frequently happens between the stations.

555. Mr. *Sherriff.*] Although you do use the block system on your railway, yet I gather from your

Mr. *R. S. Mansel.* 16 June 1870.

your evidence that you have had numerous accidents?—We have had several accidents; in fact, I have just mentioned the number that we have had, and the claims that we have paid, although the line is worked on the block system.

556. Mr. *Reed.*] In arriving at the London station, have you a sufficient number of porters to attend to the doors of the carriages, or have the passengers to open the doors for themselves?—We have quite a sufficient number of men to attend to the trains, but the passengers as a rule are so impatient to get out, that they open the doors, and are out before the train stops in nine cases out of 10.

557. Do you know how many men are on the platform unengaged to receive a train?—That varies according to the number of trains that are coming in; there are sometimes a number of trains coming in at the same time, and the men are more dispersed than they otherwise would be.

558. Is it a fact within your knowledge that no porters ever open the doors of a North London train upon its arrival at Dalston, and that all the carriages are opened by the passengers?—No; on the contrary, I think you will see the porters opening the doors every day.

559. Mr. *H. Palmer.*] Are the platforms on your line level with the carriage-door?—At the stations now in course of rebuilding they are; at one or two of the old stations there is a difference between the level of the floor of the carriage and the platform; but at the new stations the platforms are built level with the floor of the carriage or slightly below the level.

560. Do you think that an improvement and a precaution against accidents?—We have had accidents where claims have been made; in one case we had to pay compensation for a person whose injury was stated to be caused by the platform being too high, and in another case by its being too low.

561. Then the safest thing is to have them level with the platform where it can be done so?—That is what is termed a high platform, and we have had to pay compensation for injury in the case of a high platform.

562. Is it not safer to have the door of the carriage level with the platform?—I should think so, as a matter of opinion, no doubt.

563. Is there any very great difficulty or expense in making the platform level with the carriages?—It would be a matter of expense, of course.

564. But would it be considerable?—In some cases it would be difficult, because where the station buildings have been constructed, if you raised the level of the platform, it would make an alteration in the level of the floor of the station, and you would make steps, up and down which would be objectionable, where you have a number of passengers to deal with.

565. Mr. *Shaw Lefevre.*] Do I rightly understand you to say that the workman's trains do not pay now?—They do not pay at all.

566. Have you made a calculation as to what the loss to your company is by the workman's trains?—I have not worked it out in that way; but the receipts by the workmen's train that is run specially for that purpose, amount to something like from 3 *s.* up to 5 *s.* as the maximum. I do not think we have ever had more than 5 *s.* for the whole distance.

567. What should you say was the expense of running such a train?—I could not tell that offhand, because there is some expense incurred in this way, that having earlier trains we are obliged to have men earlier on duty, and that implies a greater staff.

568. Could you give the Committee an idea what the loss is?—Yes, I will do so.

569. Do I rightly understand you to say that your company is ready to extend the principle of workmen's trains to the whole of your line, providing the clause limiting the liability was extended also to those trains?—Yes, provided it could be shown that any necessity existed for it. Of course, if there was a large number of workmen requiring those trains they would be remunerative, and, therefore, it would be the interest of the company to run them. But the only difficulty at present is, first, that we are not exempt from this liability, and in the next place, that they really would not be remunerative, unless there were a very large number of passengers by them if they ran at very low rates indeed.

570. Do you say that there is not a sufficient number of working people living in the remoter parts of your line to make it worth your while, under any circumstances, to run cheap trains?—I should not be disposed to go so far as that, because the main objection hitherto has been this question of liability, and we have not been disposed to try the experiment.

Mr. James Allport, called in; and Examined.

Mr. *J. Allport.*

571. *Chairman.*] You are the general manager of the Midland Railway Company, are you not?—Yes.

572. How long have you been acting in the capacity of general manager of a railway?—Very nearly 30 years. I have been on the Midland Railway now altogether from first to last about 23 years, and 17 since my last connection with the Midland Railway.

573. During that time have you had a large experience in dealing with compensation cases?—Yes, I have.

574. Have you had the management of those cases entrusted to you?—Yes, I have had the chief management of them.

575. Will you inform the Committee why you consider the existing law to bear very harshly and unfairly upon the railway companies?—In a variety of ways it does so; in the first place we carry, as has been stated by the former witnesses, passengers in a very different position of life for the same money, and we have no means of knowing what that difference is. One man's life may be worth comparatively nothing, while another man's may be worth 20,000 *l.*, and yet we may receive but a few shillings in both cases. I think that that is a very unfair position for companies to be placed in. Parliament has thought proper to limit the liability in a variety of cases; that is to say, in the cases of valuable goods, and in the case of cattle and horses, and other animals, and I think it would only be equitable to limit the liability of companies in the case of passengers. It has frequently been a matter of consideration with

with us how to deal with those cases, but, of course, without Parliamentary powers, we are not in a position to do so.

576. Your fares are limited by Act of Parliament, I presume?—Yes, our fares are limited by Act of Parliament; and even in many cases limited by the circumstances of the case; for instance, in suburban districts we do not charge our maximum fares by any means, but although we give the public great advantages in the reduction of our fares, our liability still remains to the fullest extent.

577. Do you consider it a hardship that you should be compelled to take passengers whose lives are of a very great value at the same fares as those whose lives are of a much lower value?—Yes, I do; we think that there really ought to be some limit to that, and the proposition which has been made to the Committee by Mr. Blenkinsop certainly receives my fullest concurrence, that our liabilities should be limited in the case of first, second, and third-class passengers, varying the amount according to the class, and that passengers should have the option of insuring their lives up to a certain limited sum, which might be agreed upon, the company then being compelled to insure.

578. Have you considered how that law would work with respect to other carrying companies than railway companies?—I have not considered that question, because, in my experience, I do not think that any other companies are treated in the same unfair way that railway companies are. In the case of steamboats, and in the case of omnibuses, and in the case of public conveyances generally, I do not find that there is a disposition on the part of juries to inflict such heavy damages as they do in the case of railways; and I think that is the universal experience of railway companies.

579. Does the Legislature interfere to control the fares paid to omnibus companies?—No, they do not; they charge what they please. I am not aware of any mode of conveyance, either by land or water, where the Legislature has interfered to limit or control the charges, except in the case of railways.

580. Could you limit your liability by any special contract made by taking the ticket?—I do not think we could. I think that the Act of Parliament is compulsory upon the railway companies to carry passengers who present themselves, so long as there is room in the train, and if a passenger refused a special contract you have no means of enforcing it; it would certainly be no plea in bar to any claim, the statement that you had offered to make a contract. I do not think there is anything in the present law that would do that.

581. For instance, if you printed upon your ticket that you were only liable for a certain sum, in your opinion, that would not, in fact, limit your legal liability?—I think not, under the present state of the law.

582. You heard the evidence of Mr. Blenkinsop, did you not?—The greater part of it I did.

583. You know the nature of the proposal which he suggested to the Committee?—I do.

584. Is that proposal of his in agreement with your opinion, and with the opinion of your directors?—Yes, it is.

585. As far as you are carriers of goods, you are at this present moment protected, are you not?—Yes, we are in certain cases, under what is commonly called the Carriers' Act, protected for all goods beyond 10 *l.* in the carriage of certain valuable commodities, such as jewels, money, bank notes, pictures, silk, lace, and a variety of things; but in the case of ordinary goods traffic we are not protected at all; but I do not remember a case of anything unfair occurring in settling claims for the loss of, or damage to, goods. Whether you settle it by private arrangement, or through the intervention of a jury, it generally resolves itself into the real loss, and at the present moment I do not recollect any case of what I might term exorbitant charges or fraud.

586. Mr. *S. Lefevre.*] In the case of goods you are bound to carry safely, are you not?—Yes, we are bound to carry safely.

587. It is not a question of negligence for a jury?—Of course not, excepting in the cases I stated; and admitting even negligence we are not liable.

588. *Chairman.*] I suppose the question of the value of the goods is not a very difficult one, as a general rule?—No, it is not. We generally ask the parties to produce their invoices of the goods, and in, I may say, 99 cases out of 100 that is sufficient; we pay the amount, and there is an end of it.

589. Of course the degree of injury to an individual, on the value of the life of a person, is a very difficult question?—No doubt it is. I may state that, although the claims in number paid for loss or damage to goods is infinitely greater than the cases of compensation for passengers, it is a rare thing that you see a case tried in the event of loss of goods, compared with the cases of injury to passengers.

590. Can you tell what is the average amount of compensation that your company pays, and the average proportion that it bears to the expenses of the company?—No, I have not taken it out with that view, but I could give you the total amount paid by the company during the last five years.

591. Mr. *Sheriff.*] How many accidents have you had?—I have not got the number of accidents; I have got the cost here. The total amount that we have paid in that period is 143,000 *l.* for personal injury, and law and medical expenses in connection with these cases, for the five years.

592. Have you the number of cases?—They are very numerous; those sheets before me represent the cases, and I find that out of that 143,000 *l.*, 113,000 *l.* has been paid for compensation, 10,000 *l.* has been paid for medical attendance, 8,000 *l.* has been paid for plaintiffs' cost, and between 10,000 *l.* and 11,000 *l.* the company's costs, making altogether a total of nearly 19,000 *l.* for costs.

593. Can you tell what you paid during the same period in respect of losses to goods?—No, I cannot.

594. What sort of proportion does it bear to the compensation to individuals?—I really am not in a position to state that, but inasmuch as goods are very liable to damage by being wet, and by breakage, and a variety of things, there is no doubt that the compensation we pay for goods is very large, but I am not prepared to state the per-centage. There is this difficulty also in stating it, that we are carriers to all parts of the kingdom, and the amount paid by ourselves does not at all represent precisely what has been the ultimate loss to the company, because in many

Mr. *J. Allport.*

16 June 1870.

cases goods are stolen, and we do not know where they are stolen, and assuming the case that a package of goods is invoiced from London to Aberdeen, all the companies between London and Aberdeen partake, in proportion according to their mileage, so that it would be a very difficult return to get out. I may state further, that I find in many cases that the legal expenses have exceeded considerably the sum paid in compensation for personal injuries.

595. As a general rule, does your company pay without bringing the matter before the court?—As a rule we settle all we possibly can, and on this ground, that if we once admit the liability, we know that if we paid anything into court, for instance if our own judgment would dictate to us to pay 100 *l.* into court, or if we paid 200 *l.* into court, a jury would almost invariably give a larger sum to carry costs, so that I have long ceased to advocate the principle of paying money into court, because it invariably results in a larger sum being given, and we pay great numbers of claims, contrary to our judgment, because we know that they get into the hands of a certain class of solicitors, and they generally refuse to settle until the case is pretty ripe for trial, when there are no further expenses to be incurred, and then we can settle, but by that time we have perhaps 200 *l.* or 300 *l.* expenses of our own, and a couple of hundred pounds expenses of the plaintiff, in addition to the sum paid.

596. So that you would be ready to settle any case by giving a much larger sum than that to which you think the person is strictly entitled?—Yes, that is the fact.

597. And you do give that larger sum because you know the risk and liability that you would be subject to in respect to the payment of costs if you disputed it?—Yes, that we do; we pay very large sums which we know at the time are unfair.

598. Do you find, as a matter of fact, that claimants act upon this power that they possess over companies to compel them to pay costs?—That unfortunately is our experience. When an accident occurs, we have generally in the course of a very few hours a certain class of solicitors on the spot; touting and persuading people not to settle, and in a great number of instances when we could settle with them, we are prevented by those solicitors; and in a great number of cases we ultimately pay perhaps less, certainly not more than we should have been prepared to pay at the time; but in addition to that, we have to pay the costs.

599. Could you give the Committee any cases in illustration of what you have stated?—Yes; unfortunately it has been my duty to pay attention to those cases for many years past, and I have felt so strongly upon the subject that I have from time to time made myself acquainted with the particulars, and I have a list here of some of the worst cases. Perhaps it is not necessary to mention names; the first case on my list was one which occurred in 1864. A man was in an accident; he stated that his spine was hurt (the usual stock phrases), and he lay in bed for a considerable time. We had one of the first men in London to examine him, and he said, "I do not see much the matter with him, but he says so-and-so, and if it is true, it fully accounts for his present inability to move." The man had not moved unassisted for weeks; in fact, for months, and we settled with him. He was only a working man, and I believe the next day he walked to the station to go home, and within a week (I had him watched for some few days) he could walk as well as ever he did in his life apparently.

600. You believe that that was a fraud completely?—I do; I may mention another case which occurred in March 1865, which the company settled by paying 2,250 *l.* The man was a grocer in a country village, and he said that he could not attend to his business, but after the settlement he did attend to his business, he has enlarged his business very extensively (his son attends to it, I believe), and the man is now living in Leicester as well as most men that I see.

601. He does not seem to you to be any the worse for the accident?—Not the slightest. In the year 1864 I settled a case myself under the advice of a most experienced medical man, and gave 3,050 *l.*; this was to an auctioneer who, up to that time, had refrained from attending to his duties. He said he could not speak; in fact, he could not attend to them at all; but he has since marvellously recovered, and is attending to his professional duties as usual. The next case on my list is that of a man who was settled with for 30 guineas, and some considerable time after, in 1866 he made a claim; it was tried in London, and the jury awarded him 1,500 *l.* and costs. Since the trial he has recovered his health, and is actually engaged in his duties as relieving officer. He gave evidence that he was totally unable to attend to his duties, but he has since not only resumed those duties, but taken on other duties, and he has been known to ride a very spirited horse which few of his neighbours could ride; and this was after the payment by the company of 1,500 *l.* and the costs, which amounted to a considerable sum. The next on my list is where a jury awarded 5,000 *l.* damages for an accident. The person remained in bed totally unable apparently to attend to business until it was settled; but he is now, and he was almost immediately after, attending to his business as usual. He is an agriculturalist, and he attends markets. He complained very much of the want of sight, and that the light injured his eyes, and he has been known to wear coloured spectacles when in town on market days, to put them on just before arriving in town, and take them off when he got out; but in his ordinary occupation exposed to the full light of day he does not wear them, and in that case, as I say, 5,000 *l.* was paid. There is another case of a person who received 700 *l.*, which was for a very slight accident, and there again, the man recovered immediately afterwards. The next case upon my list is one which I look upon as a very bad one. A man was in a very slight accident; no one would detect any injury that he sustained, but a jury awarded him 2,500 *l.* damages; and I can safely say that there is not a person in the town in which he lives, who knows the case, but who looks upon it as a complete fraud upon the company. That man has since the settlement been going on with his business as usual, and apparently is as well as I am at the present moment, and in that case we paid 2,500 *l.* The next case on my list is a man who claimed 5,000 *l.*; he was settled with, and we paid, including expenses, 2,668 *l.*; and immediately after he was able to resume his business, and his wife keeps an hotel, while he attends to a music hall. The next case

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on my list is that of a man who claimed 7,000 *l.* damages, and the jury awarded him 800 *l.*; he was in the customs, and was off duty from the time of the accident till the settlement; but immediately after he resumed his duties in the Custom House. The next case was where a man claimed also 7,000 *l.*, and he was ultimately settled with for 1,575 *l.*; he was a working shoemaker, and he gradually recovered his health after the settlement, and when last inquired about he was apparently hearty and attended to his business as usual. The next case was a case of 2,297 *l.*; there the man was shaken in an excursion train, and paralysis was supposed to have set in; but since the settlement he has taken a public-house, and is apparently in good health. The next case is that of a commercial traveller; the medical man who examined him reported that there were no symptoms of organic disease or paralysis; nevertheless, it was put down for trial at the Liverpool assizes in 1867. The solicitor said he was too ill to be brought into court, and he was examined privately, and in February 1868, or a little over two months after the accident he set up in business as a general commission agent, being a poor man before, and is now, I believe, carrying on an important business. The next is the case of a person who was in a slight accident, I do not say that he recived no injury, but no other person in the train complained, and he was heard to say that he would make the company pay, and so he did; a jury awarded him 2,800 *l.*; and again, in the town in which this man lives, it is the common remark of everyone that he robbed the company of 2,800 *l.* There was another case of 400 *l.* pretty much in the same way. There is one case of a woman who kept a lodging-house; she was in an accident, and up to the time of the settlement, if she went out at all, she was taken out in a Bath chair; but very soon after the settlement she resumed her duties, and I saw her myself at Buxton within a very few weeks; and, in fact, immediately after the settlement she was known to resume her duties as usual. I have one or two cases of so much importance, that I thought it desirable to be furnished by our solicitor with the cases, and I have them before me. In one case a person resided in the north of Yorkshire; a slight collision occurred, and his lip was cut, but no injury to his teeth, and he walked to the station hotel and went to bed. He removed to his house and remained their two months, and he then went to Southport; he went then to Scotland, and during his stay in Scotland he took a large amount of very active exercise; and next he went to Ireland and visited all the celebrated places that were worth seeing, and he then took up his quarters at a hydropathic establishment, and went through certain operations, having his head pumped upon, and sleeping with a wet towel round his head. He laid his damages, I think, if I recollect rightly, at from 8,000 *l.* to 10,000 *l.* The medical witnesses called on his behalf, and one very eminent London medical man, who, I am sorry to say, figures generally in those claims for railway compensation in favour of the plaintiffs, stated that, from his appearance, he was suffering from spinal irritation, and had symptoms of incipient softening of the brain. They said that they founded their opinion from information given them as to his previous state of health, and I should say that, when he went into court to give his evidence, he immediately began sobbing and crying, and could not go on. The judge thought it better to try it in his private room, and he did so; but he again began those symptoms, and the evidence, which I have had printed, of the medical men who had examined the case, was allowed to be put in, to save the pain and annoyance of giving his evidence in open court, or even in the judge's private room. He laid his damages, I see, at 8,000 *l.*, and he put his loss of profit at between 3,000 *l.* and 4,000 *l.*, and his expenses at about 700 *l.* He then delivered amended particulars, in which he claimed loss of profits at the rate of 4,000 *l.*, and said he was obliged to take his son into partnership. The company feeling that this was so important a case, applied to a judge, and obtained an order for inspection of his books, and it was found that, during the period in which he said that his profits were upwards of 4,000 *l.*, it was a small retail business, and the whole of his retail business transactions amounted to 1,000 *l.*, and yet, I am sorry to say, the jury gave a verdict for 3,000 *l.* Application was made for a new trial upon the ground of excessive damages, and the judge ordered that he should pay his own costs in the first trial; he could not, I suppose, bear the expense of the second trial, and the judge recommended that we should settle it if we could, and it was settled for 1,500 *l.*, including the costs; but I may state that, by that time, his own expenses had run up so excessively, that I do not suppose he would receive 50 *l.* himself, and the company's expenses were upwards of 2,000 *l.* in that case.

602. What became of him afterwards?—I do not know what has become of him now, but very shortly after the man was as well as I am, to all appearance. There is no question that it was a complete fraud. The next case is one which probably honourable Members have seen noticed in the public papers, and in that case there can be no difficulty in mentioning even the name. A man of the name of Burton, who lives in Nottinghamshire, at the small village of Hucknall Torkard, was earning about 23 *s.* a week; he was in an accident, and pretended to be very ill, and after a considerable time he made a claim. It went to a jury, and on the following morning, the 22nd of June, the plaintiff was carried into the Court of Exchequer at Westminster, wrapped up in blankets, and when the trial came on before Mr. Baron Martin and a special jury, he was lifted in a chair by two men to the front of the court, with another man behind supporting his head, and another in front supporting his feet. He presented a most pitiable appearance, and professed to be unable to speak loud enough to be heard; he was examined by his counsel very shortly, and gave his evidence by whispering into the ear of the usher of the court, who repeated it aloud in open court. I should mention that it was so slight a case of accident that we settled with him for the sum of 10 *l.*, I think it was; he denied that the receipt which he had given on the settlement was ever read over to him, and swore that he only understood the 10 *l.* to be a payment on account. His whole appearance was so pitiable that very few questions were put to him as to what he had been doing since the accident. Six medical men were called on his behalf, including a very eminent London practitioner, who all expressed a strong opinion that he would never get better, and might die in a very short time. The plaintiff's wife was called,

Mr. *J. Allport.*

16 June 1870

called, and swore that he had had 30 fits between the accident and the trial, and that he had never been subject to fits before. At the rising of the court, and when the plaintiff's case was closed, the company, after a good deal of consideration with the counsel and their medical advisers, came to the conclusion that, in the absence of any direct evidence of fraud, they could not give evidence differing in any substantial degree from that given on behalf of the plaintiff, and they settled the claim for 700 *l.* The company had so strong an opinion from their medical adviser, Mr. Barnard Holt, on this case, that we paid the money at once, and I had the man watched. But on the Sunday before the trial he spent the evening in a public-house, and he was out walking several times during the week preceding the trial, and the week after the trial he was seen to mount a sort of carrier's cart, on his way to Nottingham. We applied for a new trial, and obtained it, but the plaintiff's solicitor wrote to say that it was no use going on with it, for the man had spent the whole of the money, and of course he had not a shilling to return. I may remark that Mr. Baron Martin, when applied to for a new trial, expressed a very strong opinion, and said, that if what was stated by our council was correct, he was a very suitable person for a sensational theatre, or some such expression of that kind. I have another case where a man claimed a very large sum, and ultimately obtained 635 *l.* He keeps a public-house, and he was apparently unfit to attend to his business up to the settlement, but he is at the present time, and was immediately after the settlement, attending to his business as usual, the amount of compensation in his case being 635 *l.* I have a case which is somewhat extraordinary, inasmuch as we know that there was an agreement between the plaintiff and the solicitor, by which the solicitor was to obtain 25 per cent. of the amount awarded, whatever it might be. That information was obtained. I cannot mention names; but still I can vouch for the truth of it. 500 *l.* was paid, and the solicitor, in addition to his costs, obtained 25 per cent. of the amount awarded. The last case but one which I will trouble the Committee with, I look upon as one of very considerable hardship. A gentleman got out on the platform at the Derby Station, and I am sorry to say, although from his position he ought to have known better, he was not quite perhaps in a proper state. Perhaps he had been indulging a little too freely at table. I have drawn a little sketch of the station which will explain it better than I can do it verbally (*producing a sketch and explaining it to the Committee*). At the Derby station on the platform there is a movable piece of platform to enable cattle trucks and horse boxes to be taken from the main line and carried through the platform into docks outside the station, where they are unloaded or loaded, as the case may be. This little bit of platform is moved away to allow the truck or horse box to perform that operation. This (*pointing to the sketch*) represents a doorway at the back of the platform which is usually closed when this operation is not being performed. This door had been opened and the platform removed to allow a cattle truck to be taken through. The platform part had been returned to its position, but the door was not closed; there had not been time to close it. This gentleman, although he had been at the Derby station hundreds of times and knew it as well as I did, and knew that the only access or egress from the station was through the central hall (there is no other of any kind except that), wandered down and fell on to the turn-table which is represented by that circular mark (*pointing out the same upon the sketch*). It was entirely his own fault, but, nevertheless, we were held responsible, and the jury gave him considerable damages.

603. What was the ground upon which they held you responsible?—The door at the back of the platform was a sliding door, and though the platform was perfect, and he knew as well as I knew that this was not a place either of ingress or egress, he wandered to that position and fell through.

604. They held you liable upon the ground that the door was not shut?—Yes.

605. Mr. *Shaw Lefevre.*] Was he a passenger?—Yes, he was a passenger, not by the Midland train, but a passenger by the North Staffordshire train.

606. And therefore not under contract with you at the time?—No, not under contract with us at all, but we had to pay the damages.

607. Mr. *Reed.*] Did the jury know that he was drunk?—We do not like to impute those sort of things.

608. Mr. *Shaw Lefevre.*] Your proposal as to limitation of amount would not meet that particular case, because he was not a passenger?—No doubt it would not meet that particular case; the action lay against the North Staffordshire Company in the first instance; but as the Midland would be ultimately responsible, we accepted service of the writ.

609. Mr. *Lopes.*] As I understand you, the door belonged to you?—Yes, the door was the company's. In the first instance, no doubt, his action would have been against the North Staffordshire Company, but they would have recovered against the Midland Company, and we took the liability upon ourselves. There was nothing turned upon that; we did not attempt to screen ourselves under that plea; it would only have been giving additional trouble for no purpose, but we certainly considered that we ought not to have been liable under the circumstances. Even assuming the man to have been perfectly sober, and it is a well-known fact to every passenger that those doors are constantly opened, and must be constantly opened, any man with eyes in his head must see that it is not a proper place for ingress or egress.

610. *Chairman.*] Was it during the daytime?—It was a little after 5 o'clock in the autumn, so that it would be dark.

611. Did you give evidence that the man was not sober?—No, we did not plead that.

612. Did you settle it without going before a jury?—No, the jury awarded him damages on the ground that the door ought to have been closed.

613. Mr. *Lopes.*] Did you move for a new trial?—No, we did not.

614. *Chairman.*] Have you another case which you wish to bring before the Committee?—I have one case, of which I am reminded, and I should mention it to the Committee, because it is a very important case, and it has been a subject alluded to in a pamphlet which I have here, which was written by a celebrated man, the senior physician of the Sheffield Hospital, a man of very extensive practice, and of very high standing

standing in Sheffield. This pamphlet is entitled "Medical Evidence in Railway Accidents," and it bears very importantly, I think, upon this inquiry; but I refer to it more for the sake of the case which he alludes to in his opening paragraph. "As these sheets were passing through the press, an action for compensation for injuries said to have resulted from a railway collision was tried against the Midland Railway Company, which certainly must be regarded as the most extraordinary ever brought in consequence of a railway accident." I have the case here, and I cannot, perhaps, do better than read it. This man's name was Gresley; he was a very convivial sort of person, a commercial traveller, and amongst his companions he went by the cognomen of Sir Roger de Coverley; and there is also a medical account of this case in the pamphlet, by Mr. Hall, of Sheffield. In this case Gresley was in the Midland train when the accident occurred at Methley. It was tried at the Leeds Assizes in March 1868, and the case was stated by Mr. Digby Seymour. The evidence of the plaintiff went to show that at the time of the accident he was shaken backwards and forwards, and he was so much hurt that he could not be removed for nine weeks. "The medical witnesses called on his behalf testified that he was suffering from irritation of the spinal chord. The medical men called by the company, including Mr. S. Hay" (who stands at the very highest position in his profession), "and Mr. Nunneley, of Leeds" (who has just recently deceased, and who also stood equally high), "stated that he was dying from natural causes, namely, chronic disease of the liver, heart, and stomach, altogether unconnected with the accident on the railway. The jury believed the evidence for the plaintiff, and, accepting injury to the spinal cord, the result of railway shock, in lieu of the truth, gave a verdict in his favour, with 1,500*l.* damages." Under ordinary circumstances we should have paid the amount, and there would have been an end of it; but this man died within a week, and, taking advantage of the law, we applied for an inquest to be held, and an inquest was held; and I have here the result of the inquiry, and it resulted in his representatives accepting 750*l.* We did not like to refuse the claim altogether, particularly as the coroner's jury thought proper, in their verdict, to say, "That Mr. J. M. G. died from natural causes, accelerated by a shock received when travelling on the Midland Railway on the 24th of April 1867." But any one who reads the statement of the appearance of the body after death must come to the conclusion that the railway accident had no more to do with it than if he had never been in it; but the company preferred paying it; and they paid, not the amount awarded, but 750*l.*

615. Are those cases increasing in number, do you think?—Yes, they are increasing, I am sorry to say, very much indeed. However trifling an accident may be, we always find that there are certain symptoms, and the symptoms are so constant that we could almost stereotype them. Even medical men cannot deny that the man is suffering; but there is no question that those cases are extending very much indeed.

616. Do you think that the nature of the symptoms which they allege is suggested to them?—It cannot be otherwise than suggested; anyone who attends to those cases at all in the public prints, will see that they go into the witness-box and complain of dimness of sight, loss of memory, pains in the back, inability to move their limbs, and pains about them generally, and it is impossible for anyone to say that they do not experience those things.

617. The whole of the symptoms of which they complain are symptoms of a kind which cannot be discovered?—Yes; of a kind which cannot be discovered, and they generally disappear after settlement.

618. Assuming the principles of law not to be altered, have you anything to suggest as to the mode of administering it in the settlement of disputed claims?—I would prefer that all those cases should be left to a judge, and it has been suggested that the county court judges might try them, and as they are so numerous in all parts of the country, the case would be speedily disposed of. The companies, I am sure, would be perfectly content to leave it to the county court judges, they having the power to call in medical assessors, if they thought proper; or I would make it compulsory on the election of either party, either the company or the claimant, to go to arbitation. I think that would meet the case.

619. Mr. *Sherriff.*] Do you mean medical arbitration?—The details might easily be arranged. I should myself prefer a medical arbitrator certainly, because, as an arbitrator, I think he would be able to detect fraud more than perhaps an unprofessional person could do, and from my experience of medical men, I am sure they would always deal fairly and justly with claimants. I have always found that even our medical men invariably recommend a liberal compensation where there is really injury sustained, and I therefore think that a medical arbitration would be exceedingly suitable.

620. *Chairman.*] Are your claimants more among the lower classes of society or the upper classes?—They are more from third-class passengers; certainly more from the lower, and from the lower middle classes; but we do find that persons of considerable wealth and position take advantage of third-class carriages very frequently. Of course they are more liable to accident in third-class carriages, and consequently there are more of them, and, as a rule, I should say that the great bulk of our claims are from the two classes that I have named.

621. I think the report of the Royal Commission suggested not only a limitation of liability on the part of the companies, but also that the claim should be brought within a definite period?—Yes; I think that that is a very proper recommendation. We have had claims made even after settlement. As I have mentioned in those unfortunate lists that I have read, claims have been settled, and perhaps 12 months after the case has been re-opened; and in one case a claim was re-opened more than two years after the settlement. There is nothing to prevent a re-opening of it, unless it has been settled in due course of law.

622. Does not the man's own receipt preclude him from re-opening the case?—In some cases I think it does; I think the court has held in one or two cases that the receipt has precluded a claimant from re-opening his case, but generally speaking it is not so.

623. Supposing that there was a limitation upon the liability of railway companies, do you think that they would take the same care of the public

Mr. *J. Allport.*

16 June 1870.

public as they do now?—I do not think that, even for one moment, the question has entered into the consideration of the railway companies in that point of view. I am perfectly sure that, if there had been no law in force, and those claims could not have been made by those persons upon the companies, the same amount of care would have been taken. As a railway manager, I would very much rather pay the amount of the claims that we have paid than that an accident should occur. I would rather be without the accidents, and pay the money, than that they should occur; and I am quite certain that no consideration of saving money has entered into the idea of either the directors or the managers upon this question. The loss to the companies in other ways is far greater than in compensation. First of all, the loss of stock is very considerable. You cannot have a collision, or an engine seriously damaged, without considerable expense, and the carriages the same, and the permanent way the same. Then there is for some time a sort of want of confidence on the part of the public in the company. I cannot, of course, prove a negative, but no doubt an accident has had for some time afterwards the effect of deterring passengers, to a very large extent, from travelling on the line.

624. To what extent do you use the block system?—We are using it now on several portions of our line; in one case from London to Bedford, and in another case between Nottingham and Derby, and from Loughborough to the Trent Junction in the North; and we are gradually applying the block system to the greater part of our main line.

625. Do you consider that it diminishes the chance of accidents?—To a certain extent no doubt it does. It will prevent accidents occurring by collisions between two blocked stations by one train being run into by another. No doubt, if anything occurs to an engine, or a train breaks down, a second train cannot follow until the line is taken out of block, and to that extent it will no doubt save a number of accidents.

626. Why is it called the block system?—I could better explain it by a little diagram. (*The Witness produced a diagram, and explained it to the Committee, and also the instructions which are given to the signalmen.*) We entrust these duties to the signalmen who have nothing else to do but to attend to the signals.

627. When it is said that the block system prevents the possibility of accident, that proceeds, does it not, upon the assumption that your signalmen do their duty?—Quite so.

628. If they do not do their duty, accidents may occur precisely in the same manner as by the failure of the other subordinates of the company?—Yes; until we can make men perfect, which I do not expect, accidents must occur. I am by no means sanguine that this block system is going to prevent accidents. On the contrary I have had a long correspondence with the Board of Trade upon this subject. I thought it my duty to point out that if an accident does occur under the block system from any negligence of the signalman, in all human probability it would be far more serious and far more fatal than under the present system, and on this ground I assume that the signalman makes a mistake, and admits a second train within the block before the first has left it. The engineman, under the ordinary circumstances of the block working, is under the most perfect conviction that the line is clear, and he keeps no proper look out, and he may run into a train; and the result would be, in my opinion, far more serious than under the present system, when he knows that he has to look out for signals, for it is a great mistake to suppose that the block system will do without every signal and signalman that we now have at work; it will not.

629. Upon the whole, do you think that it does increase the security of travellers?—I think it does. I recommended the Midland directors to incur the expense, and it is a very large one indeed, for, by the time the line is blocked to the extent now ordered by the board, it will have cost the company, I should think, from 30,000 *l.* to 40,000 *l.* in the first cost, and certainly it will not cost us less than 15,000 *l.* to 20,000 *l.* a year to work it over and above the present expenses.

630. Mr. *Denison.*] What is the cost of each signal station on the block system?—It all depends upon circumstances. Almost every block signal varies according to the curves of the line, the cuttings, the embankments, the extent of the station, and a variety of circumstances.

631. *Chairman.*] The block system protects the line intermediate between two stations, and to a certain extent the station also?—It does.

632. But chiefly the line intermediate between two stations?—Yes; at a station, for instance, supposing that a train had passed, and the line was clear between two blocks, we should not allow any shunting operations to go on on the main line without keeping the line in block.

633. Mr. *Sherriff.*] And therefore it protects the station quite as much as the intermediate space between the stations?—Quite so.

634. Mr. *H. Palmer.*] And the intermediate space as much as the station?—Yes, the intermediate space as much as the station; but then they are liable to this, and this is my great fear, as I thought it necessary to put on record in my correspondence with the Board of Trade, that, as I said before, you cannot make men perfect, and at some of our large stations, where you have points connecting with the main line considerable distances apart, you will have men forgetful and negligent, and then accidents will occur which I fear will be very disastrous.

635. *Chairman.*] Do you think that the safety of the line depends less upon the skill and care of the subordinates in the case of the block system than it does where the block system is not adopted?—No, I cannot say that; I think that the safety of the line depends more upon the care of the servants with the block system than without, because the ordinary signals are probably put against a man; but in addition to that there is the further operation of telegraphing backwards and forwards, which may be liable to mistake, and may be liable to negligence, and of course to that extent the men are obliged to exercise greater care in carrying on the traffic of the line.

636. Then your general conclusion is that it is a balance of advantages and disadvantages, and that the advantages upon the whole preponderate over the disadvantages?—Yes, that is my opinion.

637. And you think it is expedient upon the whole that it should be left to the company to decide as to whether and when they will adopt the system, rather than that it should be forced upon them by some superior authority?—Undoubtedly; I have no doubt that that, and in fact

fact all these things should be left to the companies. I am perfectly certain that if any system recommends itself to the judgment of the directors and the officers of a company, whatever may be the cost, there is no hesitation in carrying it out, and it is not the recommendation of the Board of Trade or of anyone else that would influence them one way or the other. I am bound to say that taking the company that I represent the company has incurred thousands of pounds, and I may say hundreds of thousands of pounds, in securing the safety of the line, totally irrespective of the Board of Trade, or of any recommendation of the Board of Trade. Sidings and signalling arrangements and a variety of things have been done, and I am sorry to say it has been my painful duty occasionally to differ very widely from the opinions expressed by the inspecting officers of the Board of Trade on some important questions. A good many questions have been put by members of this Committee upon the subject of interlocking of signals and points. For a long time I dissented, and up to the present moment, I entirely dissent from the views of the inspecting officers, and we resisted the interlocking of signals and points, but the Board of Trade refused to allow us to open a line until we had done it. Of course the inspecting officer's duty is to consider the safety of the public, and the Board of Trade had no alternative under such a state of things, but to refuse the opening of the line. I have not a word to say against the Board of Trade taking that position, but practically it forces itself upon the company however opposed they may be to its introduction.

638. With regard to workmen's trains, have you any suggestion to make to the Committee? —We have had no experience of workmen's trains on our line; we have very few workmen living upon our line that would take advantage of workmen's trains. Of course I have my own opinion upon the subject; I think that if companies are bound to run workmen's trains at the low fares that they are now charging, their liability should be limited to a very small sum.

639. Mr. *Lopes.*] You have given us numerous striking cases of excessive compensation awarded by juries with regard to your own line; are they exceptional in the case of your own line, or are they common to all companies?—I believe they are common to all companies; I have perhaps paid a little more attention to it than some others, because I have followed the cases up which have resulted in what I have given the Committee.

640. Have you had cases on your line of claims made by persons who have never been in an accident at all?—Yes, we have.

641. I believe that is not an uncommon occurrence?—By no means an uncommon occurrence.

642. Have there been many cases indicted for perjury and convicted?—In one or two cases they were indicted for perjury. In one case we expected that it would have gone to trial, but the man himself perhaps smelt a rat, suspected that we knew all about him, and that we were in a position to prove that he was miles away when the accident occurred, and he wisely refrained from proceeding with his case.

643. I do not know whether the case was drawn to your attention of Dickenson, and the Brighton Railway Company; the case of a man who recovered 300 *l.* for injuries which he said he suffered in an accident, and it was discovered that he was not there at all, and he was convicted?—Yes, I saw it in the public papers.

644. The contract that a railway company, as carriers, enter into with the public without any express agreement in respect of passengers, and in respect of goods, is a different contract, is it not?—Quite so.

645. With regard to passengers, their contract is to use due and proper diligence in carrying them?—Yes.

646. But with regard to goods, it is an absolute warranty, is it not, to carry them safely?—Yes.

647. With regard to passengers, I believe it is impossible, in any view of the law, to limit their resposibility for compensation in amount?—I believe it is not possible in the present state of the law.

648. With regard to goods, you may in the first case, in respect of certain valuable articles enumerated in the Carriers Act, limit the liability under that Act unless you have notice?—Yes.

649. The Carriers Act requires, does it not, that notice should be given in respect of the articles enumerated in that Act, if the party seeks to recover more that 10 *l.*?—Quite so; and then we are bound to insure, and the party sending the goods is bound to pay the premium.

650. And also by another Act in respect of horses and cattle, you must have notice if more than a certain amount is to be recovered?—If more than 50 *l.* in the case of horses, and 15 *l.* in the case of cattle.

651. And under the Canals Acts you may limit the liability under certain conditions, provided those conditions are reasonable?—Yes, we can.

652. But none of those conditions, and none of that immunity can be applied in the case of passengers?—No.

653. Do you see any reason why the same system should not be pursued in respect of passengers, that is now legal with regard to goods, I mean in respect of restricted liability?—I see no reason; on the contrary, I think we ought to have the same security.

654. You said something just now with regard to payment into court; is it the fact that companies find it impossible to pay money into court?—Not impossible; but practically it is most undesirable.

655. I believe the common course is this: where you propose to try a case in court, and you admit your liability, you generally pay 1 *s.* into court?—Yes, and then the sheriffs' jury assess the damages.

656. You pay 1 *s.*, and then the case is tried at Nisi Prius, or in court?—We pay some small sum into court, admitting the liability.

657. Otherwise, if you allow judgment to go by default, the inquiry takes place before the sheriff?—Yes.

658. What is your opinion of inquiries before the sheriff?—Generally they are longer; but there you have to deal with a jury; and without saying one word against a jury, I am sorry to say that their sympathies, to put it no higher than that, always go with the injured person.

659. Do you miss the control of the judge in those cases?—Yes, we do.

660. I believe

Mr. *J. Allport.*

16 June 1870.

660. I believe, as a rule, the compensation awarded before the sheriff is generally larger than that which is awarded before a judge?—Yes, certainly it is so.

661. Do you know as a fact, that many judges object to try those cases where the liability is practically admitted?—I have not paid much attention to that. That is a legal question, and I very seldom attend to those cases when they get into court.

662. Is not a very common item of claim in those cases the loss of profits in business?—Yes.

663. Do not the companies find that a very difficult matter to deal with?—Very difficult indeed. We have tried to get at a man's profits, and in one case we got an order for the inspection of his books; but that was a very extreme case. We have tried at other times to call in aid the payment of income tax, but the judges will not allow that to be done.

664. Take the case of a tradesman who does not keep books, such as a licensed victualler, the difficulties there would, I presume, be almost insuperable?—They are insuperable.

665. In fact, you would have to depend entirely upon the statements made by the licensed victualler as to his profits?—Yes, entirely; and we know from common repute, and the common observation of their neighbours, that the amount of profit put down in those cases is very greatly in excess of the real state of things.

666. Has your attention been drawn at all to the exaggerated particulars that are delivered in those actions by the plaintiffs' attorneys?—Yes, frequently.

667. Both as to the amount, and as to the items contained in them?—Yes; in many cases that we have tried, the original claims amounted to 10, and sometimes 20 times, the amount awarded, even by a jury, much as we complain of the decision of juries.

668. Has it occurred to your mind what the object is for delivering those particulars, which one can only call fraudulent?—I apprehend that there is a twofold object; we know very well that there is a certain class of solicitors who hold themselves out for this business, and they try for the sake of getting as much as they can for themselves, to make the claim heavy.

669. Do you think that they are delivered in the hope of a settlement to a considerable amount?—No doubt of it; but we never can secure a settlement until it has gone on to a certain extent, when no further expenses to any great amount can be incurred.

670. In fact, when the solicitor has secured to himself all the gains that he can hope to obtain?—Quite so.

671. You spoke of referring those cases to the county court judges; do not you think that you might have a reference of matters of this sort to a local jurisdiction?—I should certainly prefer one of the judges of the superior courts.

672. I am assuming that the law continues as it is at present?—Then if the law continues as at present, certainly I would not leave it to the county court judges.

673. But assuming the law to continue as it is at present, do you think that this would be a good tribunal, an arbitration of three persons, to be selected and chosen by the parties, the one a medical man, the other a lay arbitrator, and the third a lawyer?—I would prefer leaving things exactly as they are; if our liability is not to be limited, I would much rather that the case was tried in open court before a judge, because a judge can frequently detect cases of fraud that an unprofessional person would not; I should certainly prefer leaving things as they are, to an arbitration of that kind.

674. But you would prefer of course the limited liability system?—Quite so; then I have no objection to arbitration; and you see that arbitrations, or cases of trial, would rarely occur if our liability was limited to 200*l.* or 300*l.*; if an accident occurred, we should almost always settle, although we might pay more than was fairly due; we should never, I think, put the parties to the expense of going into court, because we should be putting ourselves to expense; and I do not think that the claimants then would put themselves into the hands of those low attorneys in the way they do now.

675. In point of fact, the costs invariably fall upon the company, do they not?—Yes, invariably.

676. That in itself is sufficient inducement, is it not, to them to settle on fair and reasonable terms?—It is. As I have stated, we have case after case of the costs incurred, being far in excess of the amount paid for damages.

677. Mr. *Denison.*] Have you a knowledge of many cases in which railway companies have been made liable for accidents or injuries to persons at stations where they were mere loungers, and not under contract to travel with the company owning the station?—We have had cases of that kind, and one very singular case. A woman fell over a weighing machine, which it is absolutely necessary to have at a station. It was put at the end of a bench as much out of the way as possible, and yet she negligently fell over this machine, and we had compensation to pay in that case. We had a case at one of our stations where there was an iron palisade fence, and the supports to the fence (as you have seen at every four or five yards there is a support) happened to be on the platform instead of outside, and had been there for many years. A man walking along the platform caught his foot against one of them, and threw himself down, and I think we had to pay a sum of 250*l.* for it.

678. The judges, in fact, have ruled, have they not, that railway companies have no right to exclude the general public from their stations?—Yes.

679. Although it is their private property?—Yes.

680. And although they are excluded on the continent and elsewhere, unless they are going to travel?—Yes; I perhaps might limit that to a certain extent. I think you may exclude the public from your platform when a train is arriving, or when it is departing. I question whether they would legally have a right to be on the platform without tickets; but in practice we do not exclude the public; you cannot, indeed.

681. In the instances to which you referred, in which compensation has been awarded to people for injuries occurring at stations through the platform giving way, or something of that sort. In your experience, have the verdicts of juries erred more from their own exaggerated sympathy with the persons, or from the direction of the judges?—I think more from their own sympathy and the sort of feeling that they have. I certainly do not think that the judges, as a rule, err in that direction.

682. You

682. You have suggested, have you not, as a better tribunal, the county court judges, with the occasional assistance of assessors?— That is in case the law is altered.

683. Would the evils of which you have complained, as to the intervention of unprincipled attorneys, be removed or abated, in case that plan were adopted?—I think it would be abated most considerably.

684. You have said also that those exaggerated claims for compensation are greatly on the increase; are you acquainted with a book published by Dr. Erichsen, giving his experience of railway and other injuries to the nervous system?—Yes.

685. Do you not think it possible that the book in question may have suggested many imaginary and exaggerated claims?—Yes. I also know another book, published by Dr. Fletcher, which is mentioned in this pamphlet before me in the opposite direction to Dr. Erichsen's pamphlet, and which is written in a very fair spirit. I see nothing to complain of it, either on the part of the companies or on the part of the public; but it gives very extraordinary statements. Practically, the very opening paragraph in this pamphlet shows that those medical men in a great number of cases are more advocates than witnesses; and I think I could not do better than just read the opening paragraph of the writer of this pamphlet. He says, "One morning a solicitor called upon me and stated that Mr. —— had been injured in a railway accident; that Mr. —— was in attendance; that he wished me to see the patient with him, and he added, 'Take notes of the case, for we shall probably want you to give evidence in an action against the company.'"

686. Have not some of your worst accidents occurred with excursion trains?—Yes, some of them; when I say the worst, I mean very bad accidents with reference to compensation.

687. Have you in fact diminished the number of excursion trains?—No.

688. Was not there one bad accident in 1869 which occurred with an excursion train?—Yes, there was.

689. Would the block system have prevented that accident?—I think it would. That was the Long-Heaton accident, which occurred under very peculiar circumstances, and in a very dense fog indeed, which came on very suddenly.

690. Mr. *Reed.*] You said something of one man's life being worth comparatively nothing, and another being worth 20,000 *l.*, I suppose you referred to the income of the man, and the means of supporting his family?—Yes.

691. But the life of the head of a poor family is of the same value as the life of the head of a wealthier family, is it not?—I was not alluding to poor men at all; for instance, I will take the cases of two men, one a nobleman of large possessions and great wealth, whose family, in the event of his death, are all amply provided for; the other a rising professional man, whose family are all dependent upon his labours. I apprehend, if the two were killed in a railwry accident, the company would find the life of the latter much more valuable than that of the nobleman.

692. The bulk of the claimants, I think I understood you to say, were third-class passengers, and the poorer class?— Simply on this ground, that they are the most numerous class travelling.

693. Do you not consider it a very difficult thing for a poor man to make out his claim against a company?—On the contrary, my experience is that they have the greatest possible facilities, and the poorer the man the more readily he falls into the hands of those attorneys.

694. Do not you think it is a reasonable supposition that he puts his case into the hands of a low solicitor, as you would term him, because he has no other means of fighting the company upon his claim?—Not at all; on the contrary, where those solicitors do not interfere, we have very seldom any difficulty in getting people to settle, and I could mention many cases where we have settled without the intervention of either a solicitor or a court of law in any way whatever; but when those solicitors appear on the ground, then our difficulties commence.

695. Do not you think that a reference to arbitration would be still more expensive to a third-class passenger than a simple claim in the ordinary way?—I think not, because the expenses of the arbitration would devolve upon the company in nine cases out of ten, or 99 out of 100.

696. Are you not aware that many poor people fail to press their claims because of their inability to meet the cost of the legal expenses?—I never knew a case of the kind, and I do not think that such cases do exist to any extent; I never heard of one.

697. Then the solicitor who agreed to take 25 per cent. of the award, was not to be supposed to look to that as his only chance of payment?— He could not have got anything else, for the person was extremely poor; when I say poor, he had no means of paying the expenses.

698. You mean no means of paying the expenses against the company?—We never had an opportunity of settling that case; it was taken out of our hands at once. We should have settled with the person, I have no doubt, upon very fair and equitable terms if it had not been for the intervention of the solicitor.

699. Are juries more in the habit of dealing harshly with railway companies than with other public carrying companies in case of negligence; omnibus proprietors, and so on, or in the case of street accidents?—I have no doubt of it; and I think no one can have the slightest doubt of it who has paid any attention to those cases.

700. Would not a judge detect a case of simulation readily?—Let me allude to the first case that I mentioned. The man lay in bed, and pretended that he could not walk. We sent a very eminent man down from London, and he gave it as his opinion that this man was injured, and although he might ultimately recover, he was then unable to move. That man moved from the public house where he was staying to the station the following day, or the day but one, after the settlement, so that if a medical man cannot detect it, a judge cannot very well; and in another case, when the man was carried into court wrapped up in blankets, and the judge allowed the usher of the court to take his answers, and the man could not speak above a whisper, I say, in less than a week from that period, the man was riding on the top of a carrier's cart. Neither judge nor jury detected simulation.

701. You have said, have you not, that you desire to have an immediate application on the part of the claimant, and a ready settlement?— I do not think I said that; on the contrary, I think it is desirable that a man should know precisely what his condition is. It does sometimes happen

Mr. *J. Allport.* 16 June 1870.

happen that a man will go for two or three days and not feel anything, and he then may feel unwell, and the only ground on which I would advocate an immediate settlement would be, to prevent his falling into the hands of those attorneys.

702. Do not you think it might be desirable that a delay of the application should be accepted?—We think that six months is ample time. The Royal Commission recommends that actions should be brought within six months, and I think that is ample time.

703. Simply that the people complaining of the accident may show themselves more satisfactorily to you?—Not only to the companies, but to the medical men. I think, if you read medical testimony, you will find that no symptoms can develop themselves after six months.

704. Have you yourself been in an accident?—Yes.

705. You spoke of the case of a working man who, immediately after he received his money, walked to the station. Do you remember a case which happened in 1864, that was not a bad case, I believe, and what amount the man had received in settlement from you?—It was 550 *l.*, I think, and I call it a very bad case.

706. In case of false evidence and fraudulent statements, you have your remedy against a man, have you not, if you can prove afterwards that he had deceived you?—No doubt; but what chance would there then be of proving it? A man says to-day, "I have lost, to a certain extent, my sight; I have lost my memory; I feel pains in my back." A week hence he says, "I am perfectly well;" and would any jury convict that man of perjury. You cannot deny that the man feels what he states he feels to-day, although he is perfectly well next week; it would be quite futile to attempt it.

707. I suppose, with regard to medical evidence, it is the fact that those symptoms are very variable, and may arise at any time?—They are generally very similar in railway accidents, I am sorry to say; I speak from facts, I do not speak from opinion.

708. You have spoken of men who have robbed the company, and my question is, whether you had not your remedy if you can prove that a man has, by a fraudulent representation, robbed you of money?—I have given my answer, and I can only repeat it, that I believe no jury in England would convict a man of perjury who states to-day that he feels certain pains and next week that he is perfectly well.

709. With reference to the block system, you have said that any company would go to any expense to ensure the public safety on their system; but perhaps a non-paying company might not be so willing to expend a large sum of money as your company would?—That is very likely.

710. Therefore it might be desirable that the Board of Trade should have power to interfere in such cases and require it?—I think however poor a company might be, if it was found universally advantageous to be applied, the company would adopt it. I do not think that the question of poverty enters into it at all. We know this, that very poor companies adopt the system of signalling that is practised on the best-paying lines, and the question of expense does not really enter into the consideration.

711. Your Camden Town and Kentish Town Stations are in the midst of a thickly-populated district, are they not?—Not of working men; at least, we find that they do not travel at all, and I do not believe there are a sufficient number of workmen living out at Kentish Town or at Camden Town who would come daily into the city to their work; in fact, it is a more respectable district; the passengers are quite a superior class.

712. I see by your return to Parliament, that there is one train in the morning at 7.15 called a workman's train, but I find that the charge for a return ticket to London is 6 *d.*, could you not give greater facilities for working that traffic?—I do not think we have any workman's train; we have no train on the line called a workman's train.

713. You have nothing, in fact, under the ordinary fare of 6 *d.* for a ticket?—No.

714. Mr. *Sherriff.*] Do you consider that third-class passengers are more liable to injury than either of the other classes?—I do not think that they are, excepting that they are more numerous; and, of course, where you have one first-class passenger you have probably 20 or 30 third-class.

715. Can you explain why you propose that a first-class passenger shall insure for 3,000 *l.*, a second-class for 2,000 *l.*, and a third-class only for 1,000 *l.*?—Because they pay less. I think our risk should in some measure be guided by what we receive. A first-class passenger pays, we will say, 2 *d.* or 2½ *d.* per mile; a third-class passenger pays, varying from 1 *d.* downwards to less than one farthing per mile; and that is, I think, a sufficient reason why it should be limited.

716. On what principle do you found your insurance rates; do you found them on a principle which will make pay *per se*, or do you expect a loss to accrue to the company from the insurance?—I do not think there would be any profit; on the contrary, I think there would be a loss. If Parliament should authorise it, I should be very glad to make an arrangement with any insurance company to take all the proceeds, and take the risk; but we were guided, in some measure, by the conduct of the Accidental Death Insurance Company. They decline to insure any life for more than 1,000 *l.* first-class; and they will not insure a third-class for more than 200 *l.*, and I think a second-class 500 *l.*; they will not insure beyond.

717. But in their calculations they, of course, assume that they will make a profit; as I understand you, the railways believe that carrying out this principle of insurance will leave a loss?—I think it will leave a loss, because we all know that no insurance company will take more than a certain sum on any one life; and although they would receive double the amount for 2,000 *l.* that they would for 1,000 *l.*, yet they limit the extent to which they will insure. If an accident did occur to a man insuring for 3,000 *l.*, the loss would be very serious; whereas it is very improbable that three men would be killed, each insuring for 1,000 *l.*

718. Mr. *H. Palmer.*] When you say that you wished the county court judges to have jurisdiction, do you wish to exclude the option of a jury altogether, because a county court judge may have a jury now?—I should prefer it being left entirely to the county court judge if the law is altered, and exclude juries altogether.

719. You

719. You have given such satisfactory evidence about the block system that I merely want to ask you this: if it is so advantageous, would not it be a useful thing if the Board of Trade had the power to enforce it on companies who would not adopt it without the necessity of going to Parliament for an Act?—I have a very strong opinion against the Board of Trade having that power, because I am quite sure that, to relieve themselves of the responsibility, for it would be a very serious responsibility upon the Board of Trade, they would order it on every line, whether it was a main line or a branch line; and I consider that it would be a mere waste of money to put it upon a great many branches of the Midland Railway. But upon what principle could the Board of Trade Act; if an accident did occur upon a branch, the Board of Trade would naturally feel that the responsibility of it rested upon them; and I should fear that it would result in the block system being put on hundreds and thousands of miles in this country, where it would be utterly useless.

720. I am not supposing that they should attempt to enforce it indiscriminately, but if they had strong evidence from their own inspectors that it was necessary on one particular line, should they not have the power, not only of recommending it instantly to be done, as is now the case, but of ordering it to be done?—I think not.

721. Do you think it would meet your objection at all if the order was to be laid before Parliament at the commencement of a Session before it became binding?—That is done now; the Board of Trade periodically publish the accidents that have occurred, and the reports of their inspecting officers, and the recommendations of the inspecting officers are printed with those reports, and those are laid before Parliament.

722. But that does not meet my point; I am quite aware that they do give that information; but what I mean is this: that if the Board of Trade thought it right to enforce a rule upon all companies or any company, would not it be a protection to the company to have it laid before Parliament before it became positive law?—Certainly not: I do not think that Parliament would care two straws what was ordered by the Board of Trade, whether it was a useless expenditure or not; it would be laid before Parliament, and as the Members of Parliament are travellers, they would say "This is all for the benefit of the public;" but I do not think it would have the slightest effect.

723. Of course I mean that when it was laid before Parliament, the company would be represented there by somebody who would have the power to object?—I am afraid that that is a very slender reed for the companies to rest upon.

724. Then it comes to this: do you think it desirable that in every case in which you wish to enforce any rule upon the companies, you should be driven to an Act of Parliament for the purpose of enforcing it?—Of course that is a hypothetical position to take, but the companies generally are so alive to the necessity of safety to the public, that if a Board of Trade recommendation has virtue in it, it will be adopted. But, as I said before, I have had occasion to differ from the Board of Trade's inspecting officers on several important matters, and one a very serious one, and I have seen no reason to change my opinion, and I speak advisedly, after the most active life that perhaps any man in England has led in railway management, and I have no hesitation in saying that the Board of Trade's inspecting officers are wrong in that particular case, although many railway men think differently. I could have shown reasons why I considered that they were accidents, which would have occurred if the system recommended by the inspecting officer had been in operation.

725. You say that the railway companies are always ready to adopt everything that is right, without the intervention of Parliament; are you aware that an Act was passed, I think two Sessions ago, requiring all the companies to adopt a communication by signal between the passenger and the guard and the driver?—Yes.

726. That was a comparatively small affair, was it not?—That has been utterly useless in practice.

727. But it was a comparatively small affair?—No, on the contrary, it is a very important affair; it is costing the companies a very large sum of money; even before that, all the large companies had a communication (we had it for many years in operation) between the guard and the driver; and after being in operation, I forget the number of years, and I forget the millions of miles, but I had it taken out, and I found that it had never been once used; we have had this communication between the passenger and the guard in operation since the 1st of last July; and as near as I can make out, we have run between two and three millions of miles, and there has been only one occasion which it would have been of the slightest use. I admit that on that particular occasion it would have been so, but like everything else that is not in constant use, it gets out of use, and is not in order when it is required; and the man in uncoupling the rope, had just given it a turn round one of the points to prevent it releasing itself entirely, and in attaching it again to the engine, he neglected to unfasten the rope, and the result was that it was not used.

728. You have the rope system, have you?—Yes.

729. Are you aware whether the rope system is generally adopted?—Yes, it is.

730. There was an electric system tried, was there not?—Yes, there was.

731. Was it abandoned?—No, it is in use upon some of the lines south of the Thames, but not upon any of the main lines north of the Thames.

732. Which do you think the best of the two?—Of the two, the rope decidedly; it is the simplest and the best.

733. Do not you think it would be right that it should be more accessible than it is at present to the passenger at the top of the carriage?—I think not; I think that it should only be used in cases of emergency, and that there should be some little difficulty in putting it into use, for if it was left easily to be got at, and easily used without detection, passengers would be stopping the trains in perhaps very dangerous positions.

734. It is usual, is it not, to put a notice inside the carriage where the thing is, and how it is to be used?—Yes.

735. The other day some witnesses were asked about locking the carriage doors; and in that Abergelly accident it was stated that one disadvantage was that so many of the doors were locked; do you think it a good plan, for the safety of the passengers, that the doors should be always

Mr. *J. Allport.*
16 June 1870.

always locked on the one side?—Yes; on the off side undoubtedly they ought always to be locked.

736. Do not you think that the foreign system, by which there is a hasp at the bottom of the carriage, is a good plan?—I think it most undesirable to adopt it; in the first place, it causes very great delay at the stations. In this country the public would not be satisfied with the detentions at the stations that takes place on the Continent. If you take a long train, to go along the train and do that at every carriage-door takes a considerable time; and I am certain that the public would never submit to it; it would delay the trains very considerably. In practice, I do not think it is found at all inconvenient to lock the doors on the off side, keeping them unlocked on the near side.

737. You think it a protection rather than a disadvantage?—I do; I think that the public should have the opportunity of opening the doors on the near side.

738. You have been asked by the honourable Member on my left upon what principle you limit the scale for insurances, allow me to ask you upon what principle you fix the limit of liability at 200 *l.* to a working man, or to a third-class passenger; at 400 *l.* to a second class, and up to 500 *l.* for a first-class passenger?—There must be some point taken. We considered, at least I do myself consider, that even that is an extreme limit. I do not see why you should be held liable even to the extent of 400 *l.* for a first-class passenger without insurance. Of course, we take the very best steps we can to secure the services of good men, and I know that the system is such that we do secure the best men that can be got, but it is a very difficult matter. I would put this case: supposing your coachman chose to get drunk; you select your coachman because you believe him to be a steady, trustworthy man, but if he chooses to get drunk, and, as he drives along Piccadilly, knocks down and kills half-a-dozen people, and knocks down 50 or 60 others, it is a very hard case that you should be made liable in every one of those cases, because you happen to be his master.

739. In the case of a man who travels by third class, upon what principle is it to be considered that the worth of his life and his limbs is to be limited to 200 *l.*, whilst in the case of a first-class passenger it is estimated at 500 *l.*? — On the principle that we receive more money for the carriage of a first-class passenger than for a third-class passenger.

740. Then it arises simply from the difference between the fares?—I think that that is a very proper difference; it arises from that.

741. That is the only principle, is it?—I do not say the only principle. Generally a first-class passenger's position in life is different; his life his more valuable than that of a poorer man.

742. That may be a reason why a jury would be able to judge better than, probably, a single arbitrator or judge, may it not, as to what was the loss or injury sustained?—I think that the judges judge impartially and dispassionately, but that a jury, unfortunately, does not.

743. Would you not be liable to the same frauds by unscrupulous attorneys, and people who claimed damages, if you had your proposed limited liability, just the same as you are now?—I think not, and on this ground. As I have read to the Committee in those cases, a man claims 7,000 *l.*, 8,000 *l.*, and 10,000 *l.*, and gets perhaps a few hundreds. He would know that, under no circumstances, if he was a third-class passenger, he could get more than 200 *l.* in case of injury, or in case of death, unless he was insured, and if he was insured the money would be paid without a moment's hesitation. If death occurred, 400 *l.* would be paid to a first-class passenger, and if he insured his life for a couple of thousand pounds, the 2,000 *l.* would be paid without the intervention of lawyer, or jury, or judge, or anybody else.

744. You think that you would suffer the same in comparison, and you would pay it without investigation?—We would have no choice. Assuming that a passenger is killed, we are liable to the extent of 400 *l.*, as we have proposed, and beyond that, if he insured his life for 2,000 *l.*

745. I am supposing no insurance?—Then, I think, the railway company would pay the 400 *l.* without any hesitation. I do not think it would lead to litigation by any means.

746. Mr. *Sherriff.*] But litigation would occur in case of injury, and not in case of death?—Not to the same extent as now. The man would know that the company would only be liable practically to a certain fixed sum.

747. Mr. *H. Palmer.*] The fraud could only be in case of injury?—A man may claim now 7,000 *l.*, 8,000 *l.*, or 10,000 *l.*, and the justice of the case might be met by a payment of 50 *l.*; but under no circumstances would he be able to claim anything beyond the 200 *l.*, 300 *l.*, and 400 *l.*, and being between those limits, I do not think it would lead to litigation.

748. The company would not think it worth while to litigate cases if that limited liability existed?—I do not think they would.

749. Mr. *Price.*] In the case of carrying goods you get a higher rate for carrying valuable goods than you do for goods of a minor value?—Yes, we do.

750. That is because in case of accident you are liable to larger damages in the one case than in the other?—Quite so.

751. And you see no injustice in applying the same principle to the case of passengers?—I do not.

752. It does not cost any more, does it, in locomotive power or in other expenses to move a ton of silk than it does a ton of coal?—No, it does not.

753. But if you damage a ton of silk you have more to pay than if you damage a ton of coal?—In fact, we should be protected by the Carriers Act. A ton of silk is worth about 2,500 *l.*, and a ton of coal is worth about 8 *s.* or 10 *s.*; and between those two, silk as the highest class of goods and coal as the lowest, you have every variety of value; and we, by classification, endeavour to assort goods according to their value, and charge higher or less in proportion to the value.

754. The difference you get in the rate for carrying a ton of silk and carrying a ton of coal, is not due to the fact that it costs you more to move it; but that you have a heavier liability in the one case than the other?—Yes.

755. It does not cost you more to carry, but you are under the disadvantage of the greater liability of the company?—Yes.

756. If you damage the one you have more to pay than if you damage the other?—Yes, quite so.

757. And

757. And therefore you think it reasonable that the amount of damage should have some reference to the amount that you receive for carriage?—Yes, that is the principle.

758. Generally speaking, you do not object so much to the state of the law as you do to the mode in which it is applied by juries?—That is our chief objection.

759. You think that they take a view of the case, which encourages fraudulent claims and fraudulent practice, which is very demoralising to the public, and very injurious to the railway companies?—I have no doubt of it.

760. You think that under a tribunal differently constituted, say, for example, a judge trying a case of this kind without a jury, his legal mind being brought to bear upon such cases, would generally lead to a much more satisfactory result than where they are subject to the capricious action of a jury?—That is our experience.

761. Have you any idea why it is that juries take that extravagent view which they generally do against railway companies?—There are perhaps two or three reasons for it. You cannot quite enter into the mind of juries, but every man feels that sometime or other he must travel by railway, and I believe there is a general opinion that the companies are careless and negligent, although a more erroneous one I am quite sure could not prevail. In many cases it is sympathy, and in many cases it is a desire to punish the companies. I have heard it expressed by juries, not in open court, but jurymen have afterwards expressed to me that they were determined to punish the companies. I can mention one remarkable case of this sort. A man, because he could not get a claim paid, said, "Well, let me get on a jury against you, and I will take care to punish you." That is the sort of feeling. I do not say that it prevails to any very large extent; I should be sorry to think so; but you cannot divest the minds of juries from a feeling of sympathy towards the passenger, and that they are dealing with a rich company who can well afford to pay.

762. There is a common sort of feeling that a railway company is a sort of robber and common enemy, that ought to be punished whenever he can be caught?—That is the general opinion.

763. And it is the sense of injustice under which railway companies are suffering, that induces them to ask for some relief from Parliament?—Yes, that is so.

764. Is there not a sort of feeling that a good many of those accidents arise in consequence of the carelessness of railway companies, or railway managers, in appointing their servants? — I believe there is that feeling to a very great extent.

765. Is it not a matter upon which railway companies, and those who act for them, are especially careful as far as they can to ascertain the character of all those whom they put in confidential positions?—I do not think it is possible for either private persons or companies, to adopt greater precautions in getting good servants than railway companies do. I may mention my own practice. I never put on a man without a recommendation, not only from his immediately preceding employer, but from three if I can get it, if the man has been in three employs. I always like to get three characters; and if there is the slightest flaw in his character he is not employed; he must be able to read and write; he immediately gets higher wages than he has been accustomed to, and he is not promoted to a responsible position till he has been in the service of the company a considerable time. I do not see what other precautions we can take; but men will be careless in spite of all you can do.

766. The public having an impression that railway companies are careless in the mode in which they appoint their servants, is it not a fact within your own knowledge, which you have frequently to complain of, that the public themselves who recommend those servants are guilty of very culpable negligence in the mode in which they recommend them?—Very much so, indeed.

767. Is it not the fact that people frequently recommend to railway companies servants that they want to get rid of themselves?—Very frequently. A case came under my own observation a very short time ago. A man was in our employ who received a good character. After he had been in our employ for 12 months, I ascertained that he was discharged for dishonesty by the very man who gave him the character.

768. When a railway company dismiss a servant for drunkenness, or any vice or fault tending in the direction of accidents, is it not a constant practice of the public to memoralise the board of directors to restore that man to their employ?—Constantly; and it is a common observation that the worse the servant the more numerously will the memorial be signed.

769. You have travelled a good deal on the Continent, and are familiar with the continental system. I presume that the continental system is likely to be freer from accident than our system?—Of course it is. There are fewer trains, and they run at slower speeds. In fact on most lines they have only two trains each way per diem for passengers, and they run at very slow speeds.

770. Do you think that the British public would stand that mode of railway travelling?—Certainly not. There are no express trains on the Continent; at least there is no one train running as we do now every day several trains 97 miles without stopping. I do not believe there is such an instance on the Continent, or in the world, besides England.

771. Are not the railway boards under continual pressure on the part of the public to increase the amount of accommodation?—Yes, constantly.

772. One of the greatest difficulties that you have to contend with, is to limit the number of trains that run upon your various lines?—It is, and to satisfy the public at the same time.

773. All increase in that way must tend to increase the liability to accident? — No doubt about it.

774. You were asked the question whether or not railway companies were a little slack in settling fair and reasonable claims in case of accident; is it not the fact that whenever railway companies take the initiative in settling those claims, they are always charged with a desire to do so in order to prevent a man ascertaining, through legal and medical assistance, whether his accident is a serious one?—We have been accused in open court repeatedly of endeavouring to settle those claims rapidly, with the object of preventing the claim being larger.

775. So that railway companies are obliged to be cautious how they take the initiative in all those cases?—Yes. Again, I may say we have

Mr. *J. Allport.*

16 June 1870.

taken the settlement of those claims entirely out of the hands of our medical men; we do not allow the medical men to settle a claim at all.

776. I presume it is not the interest of those men who make a trade out of railway accidents to allow the sufferers to settle those matters without their intervention?—No doubt.

777. A railway accident is looked upon much in the same way as a wreck was formerly, on some parts of the coast, as affording a good opportunity of getting loot?—Yes; I am afraid it is so, and it is a great hardship upon railway companies.

778. Mr. *S. Lefevre.*] You stated that you wish to apply to passengers the same rule as you now apply to goods; would you also apply to passengers the same principle as you now apply to goods in respect of a warranty carrying safely, because you are bound now to carry goods safely?—I suppose we are under the same liability in the case of passengers now.

779. Not quite the same, because, in the event of an accident, the passenger is bound to show negligence before he can recover?—Yes; I should not be afraid to come under the same obligations.

780. Upon this principle, which has been recommended by Mr. Blenkinsop, being applied would you also warrant the safe arrival of a passenger?—I question if we are liable in the case of goods if a pure accident happens; if, for instance, a tire breaks from any cause not to be ascertained, and damage arises, it is a legal question whether we are liable, and I would rather not answer it.

781. My impression is, that there is a warranty upon his safe arrival?—I think not.

782. The company is the insurer in the case of goods but not the insurer in the case of passengers?—I will not, of course, go to that extent; I believe that the Royal Commission recommended that the company should be liable for all accidents.

783. So that the onus should not be thrown upon the passenger to prove negligence?—Not if we were liable in other respects.

784. If there was a limitation of liability you would be prepared to accept that extension of liability to that amount?—I think so.

785. So as to relieve the passenger of the onus of proving negligence?—I think so.

786. Is that the general impression of railway companies?—I think so; it is a point which has not been discussed, but I think I know them sufficiently to say that that would be the general opinion.

787. Do you agree with Mr. Blenkinsop in the proposal which he has made, namely, a liability to the extent of 500*l.* for first-class, 300*l.* for second, and 200*l.* for third-class passengers.

788. Irrespective of the fares paid by those three classes?—I think it should be quite irrespective of the fares paid.

789. Supposing a railway company charges less than a 1*d.* a mile for a first-class or a second-class fare, whereas other companies are charging 2*d.* or 3*d.*, would you still hold them liable?—Yes, I think so.

790. There is no legal distinction between first, second, and third class, is there?—No, there is not.

791. Therefore it would be necessary to make some legal distinction if this principle is to be applied?—The fact of a person having taken a first-class ticket would settle the question.

792. But there is no legal distinction between what is first class and what is the other class?—If those changes are made, they must be embodied in an Act of Parliament, and the details would have to be arranged of course.

793. Have you considered at all what would have been the effect of this principle had it been adopted some time ago upon your payments in respect of compensation?—No, I have not.

794. You told us, I believe, that the payments made by the Midland Company amounted to about 130,000*l.* in the last five years?—£. 142,000, I think, including medical expenses, and so on; I find that in actual compensation we paid 113,485*l.*

795. I see, if those figures are a fair illustration of the payments made, that the great bulk of them are very much less than 500*l.*, in fact varying from 50*l.* up to 200*l.*?—Yes, no doubt.

796. The cases of considerable amounts being paid are very few?—Yes, there is no question that in individual cases there are many of them very small; as low as 5*l.* and 1*l.*, and so on.

797. The cases in which large sums are paid are comparatively rare?—Comparatively rare.

798. I make out in this list only 33 cases, in which sums of over 500*l.* have been paid?—There are a great number of cases here where the amount is not filled in at all.

799. Still, I presume, that the larger amounts would have been filled in?—I think not; they are not filled in.

800. Still a very large proportion are of a smaller amount than the sums which you would have to pay upon the principle which you now wish to apply?—No doubt of it.

801. And within limits in which it would still be possible for fraudulent claims to be made of all kinds?—I think the very fact of the sum being limited would prevent fraudulent claims being made. The fraudulent claims we find to be in almost all cases where they claim very large sums, amounting to thousands, instigated, I have no hesitation in saying, by their professional advisers.

802. The case you have made out on the part of the companies is not entirely an exceptional case, namely, the one of fraud?—Not entirely.

803. You have insisted that railway companies are subjected to so many cases of fraud?—I do not put it upon that ground at all; I put it upon the ground that it is unfair, looking at the small sums which we receive from the passengers, for two men riding in the same carriage side by side that we should pay 10,000*l.* in the one case, and 100*l.* should be deemed sufficient in the other.

804. Then quite apart from the cases of fraud which you have put before this Parliamentary Committee, you think that the railway companies are entitled to some consideration?—I do, undoubtedly.

805. In that way you separate your case from that of other carriers, apart from the case of fraud?—As I stated, I am not aware that other carriers are liable to the same hardships as railway companies in respect of accidents.

806. Surely there are cases in which omnibus companies and shipowners are found liable for negligence to their passengers?—I do not remember any serious case of an omnibus proprietor, or an omnibus company, in London, paying any large sum; nothing like what the railway companies pay.

807. Do not you think shipowners do so?—I have

have shipowners in my mind; and I do not remember a case of a shipowner being called upon to pay a large sum.

808. Supposing it is proved to you that shipowners are called upon to pay very heavy demands, would you think that the same principle which you wish should be applied to you should also be applied to shipowners?—Yes, if they are subject to the same injustice as we are.

809. I mean, quite apart from injustice; I am putting it as a matter of principle, and trying to separate the question of fraud from the question of *bonâ fide* claim?—I say we are subject to injustice, not from fraud only, but from a variety of reasons, namely, sympathy, and our being wealthy companies; I think it is that that we have more to complain of than fraud; juries give large damages because they think that we can pay, and that we shall never feel it, and their sympathies go with the claimants.

810. Supposing even that case was removed, namely, of juries giving excessive damages, there must be many cases in which, looking to the principle laid down by the law, the plaintiffs are entitled to a considerable sum of money; perhaps they have been very severely injured, and have lost the means of livelihood, or perhaps a passenger has been killed, and the family have been deprived of the person who was winning bread for them?—That may have occurred, but I am quite certain of this, that if shipowners or omnibus proprietors had been subject to the same claims as railway companies have, you would have heard of them before this.

811. Are those cases in which you think that the railway companies ought not to be compelled to pay more than the limited amount which you apply for?—I have no hesitation in saying, that if the railway companies' liability is limited, other carriers' liability ought to be limited; there is just this, that private individuals have not the same means for carrying as railway companies.

812. You would also say that any principle which is applied to railway companies should be applied to all carriers and all persons in the same condition?—With that reservation.

813. With the reservation that you think that railway companies are more hardly treated in practice?—No; with the reservation that I think railway companies have more inducements to be additionally careful than private individuals.

814. Why?—Simply because a private individual has not the same motives for care as a public company in reputation, in loss of traffic, and a variety of other things.

815. A claim that is likely to be made against a private person is much more serious to him than to a public company, is it not?—I admit that it is, and hence a jury do not give such high damages.

816. Let us take the case of damage to a person where there is no contract between the private person who inflicts the injury and the person injured; you mentioned an instance just now, where the owner of a carriage might be rendered liable for the negligence of his coachman who was drunk; do you think that the same principle of limited liability should be applied to that case?—I have not given my attention to that. I do not think that that case has arisen. I do not think that cases of great hardship of that sort have occurred; I do not remember one.

817. Have you not considered at all as to how far the principle you are wishing to adopt should be applied to other companies, and should be applied to private persons?—I am quite certain that the same measure of injustice would not be meted out to private individuals as is meted out to railway companies.

818. You stated that you yourself are of opinion that the block system would be the preferable mode of working a line?—I did state so.

819. I suppose not universally, but in particular portions of the line, where the traffic is at all crowded?—Quite so.

820. How long have you been of that opinion yourself?—We have had it in work on the Midland Railway for many years, on certain portions; we work all our tunnels on that system, and we have extended it very greatly of late years, where the traffic becomes exceedingly heavy, and the trains very numerous and of various kinds. We have a very large mineral traffic on the Midland Railway. We have also very quick express trains and every variety of trains, and where they become as numerous as they are on certain portions of our line, I think it advisable to put up the block system, but I think it is inadvisable to put it up upon other parts of the line.

821. On account of the traffic being thin?—Being so much smaller than it is on other parts.

822. Then you do not think it is universally applicable?—Certainly not.

823. Do you think that the railway companies are the proper persons to decide over what portion of their line it should be adopted?—I do; I would leave the responsibility with the railway companies.

824. Are you of opinion that it is a measure which is adopted generally by railway companies, or not?—Perhaps not at present, because it is a new system.

825. You are aware that it has been recommended by the railway inspectors of the Board of Trade now for some eight or ten years?—I am quite aware of that.

826. They have repeatedly reported to the Board of Trade and to Parliament, have they not, that accidents would not have occurred if the block system had been adopted?—I am quite aware of that, but I must say that many of the conclusions of the Board of Trade inspectors I beg leave to differ from.

827. Do you think that accidents would have occurred, even though the block system had been adopted?—I could mention several accidents that have occurred, in spite of the block system, and serious ones, too.

828. You have stated, also, that the block system does not altogether relieve the company from the possibility of accidents?—Certainly not.

829. But it is a matter of choice between the two systems?—Yes.

830. On the whole, you are of opinion that, under certain conditions of traffic, the block system should be adopted; that, I believe, has been the opinion of the railway inspectors, too?—I do not go quite so far as that. I say that, under certain circumstances, it is better that it should be adopted; but that if it should be adopted, I would leave it to the decision of the companies, as they are the best judges.

831. You think that, in all cases, the railway companies are the parties to carry out the block system, if they should think it is the best system to adopt?—I have no doubt of it. I have never yet seen a company averse to adopting a good system.

Mr. *J. Allport.*

16 June 1870.

832. Let me put to you the case where a railway inspector has repeatedly recommended that the block system should be adopted, and has repeatedly pointed out that an accident would not have occurred if it had been adopted; do you think that that case should be left entirely without remedy?—You are putting, as I said before, a hypothetical case, and I should like to hear the other side; the railway company might have come to the conclusion that the inspector of the Board of Trade was wrong in his conclusion. I have known them to be wrong, and I have known different opinions to be expressed by Board of Trade inspectors.

833. Still we have the fact that the Board of Trade inspectors have from time to time recommended this system, and it is now being very much further extended?—No doubt; but at the same time it must be in the knowledge of the Board of Trade that their inspectors are not always united in recommending any one particular system.

834. But where the Board of Trade inspectors are united, and where they have repeatedly reported upon some railway company that the block system should be adopted, the question is whether any power should be given them to enforce the adoption of that system upon any line?—I should say certainly not, and for this reason, that experienced as they may be in inquiring into those things, they have not had experience in working of railways; and when their four inspectors differ in opinion from the opinions of practical men, not only four, but 40 or 50 of them, I do not think that their opinions should have sufficient weight to justify Parliament in putting that power into the hands of the Board of Trade, because I know that the Board of Trade would not take the responsibility upon themselves; they would order the thing to be done, and would leave the responsibility with the companies.

835. You think that in no case should any responsibility be left with the inspector; but the responsibility should be entirely upon the railway directors?—I do; I think where there is weight in an inspector's report, it will make its way if it is worth consideration.

836. Do you attach any considerable value to an inspector's report?—I do.

837. And generally, do you think that their reports on accidents are really valuable in informing the public, and the railway companies themselves?—I do. However wrong they may be in their conclusions, in the first place they give the facts very accurately, and that is valuable to the railway world generally. I myself have experienced great advantage in reading of accidents that have occured on other lines of railway. I have gained knowledge from them in a variety of ways; but I must say that they are not always right in their conclusions.

838. Even though they are sometimes wrong, you think that their reports are valuable; and even though they lead to no correct conclusion?—I believe they are valuable.

Monday, 20th June 1870.

MEMBERS PRESENT:

Mr. Dalglish.
Mr. Davison.
Mr. Denison.
Mr. Headlam.
Mr. Lopes.
Mr. Hinde Palmer.
Mr. Plunkett.
Mr. Price.
Mr. Charles Reed.
Mr. Sclater-Booth.
Sir Henry Selwin-Ibbetson.
Mr. Sherriff.
Mr. Rowland Winn.

THE RIGHT HONOURABLE E. T. HEADLAM, IN THE CHAIR.

SIR SAMUEL MARTIN, Knight, and SIR GEORGE WILLIAM W. BRAMWELL, Knight, Two of the Barons of Her Majesty's Exchequer, called in; and Examined.

Sir *S. Martin*, and Sir *G. W. W. Bramwell*.

20 June 1870.

839. *Chairman* (to Mr. Baron *Martin*).] The House of Commons has delegated to this Committee the duty of inquiring into the theory and the administration of the law concerning the compensation that is paid by railway companies in consequence of accidents occurring upon their lines; the Committee, in the prosecution of their inquiry, have already had before them several gentlemen representing the interests of the railway companies, and they complain greatly, partly of the theory of the law and partly of its administration, and we have thought it right to obtain the advice of gentlemen like yourselves, of the highest authority and experience, in order to assist us in the conclusions to which we should come. The first question which I would ask is, whether you have had great experience in the trial of those cases which occur against railway companies?—We both have had very great experience in the trial of railway cases. I have tried a very great number indeed, both in London and the country.

840. I need scarcely ask you whether you and Mr. Baron Bramwell have not been on the Bench for a considerable number of years?—I have been longer than any person at present on the Bench; nearly 20 years. (Mr. Baron *Bramwell.*) I am in my 15th year.

841. I think you have also had considerable experience in the trial of those cases?—Yes, I should not think that I have tried as many as my learned brother, but I have had a good many of them, and I was counsel for a good many railway companies before I sat on the Bench. (Mr. Baron *Martin.*) Owing to circumstances, of which probably the Committee are aware, up to 1866, I tried by much the greater proportion of those cases that were tried in London and Middlesex. My brother Bramwell tried a good number, but I tried a very great number of them.

842. In the first instance great complaints have been made to us as to the theory of the law; the railway companies complain that they have no power of limiting their responsibility, and that they have no power of making any difference of charge with respect to the most valuable life and a life of the least value, but that they are compelled by law to give a railway ticket to every person that applies to them, and they are compelled to take them at a certain amount, which is prescribed by Acts of Parliament, and over which they have no control, and, further than that, that any limitation which they were to attempt to make upon their responsibility, would be illegal; they say that that is very hard, and that the accidents are, in their nature, almost inevitable in certain cases, and that if they are to be visited for everything that might be called an accident, there ought to be some limitation, some power of discrimination as to the sum which they should charge to persons who are taking tickets from them. The first question which I will ask is, whether you think there is any hardship in the theory of the law as distinct from the administration of it?—The law with regard to the carriage of passengers by railway companies is the general law with regard to the carriage of passengers for hire. Unless there be an Act of Parliament, which I am not aware of, which makes it compulsory upon them to carry all persons, the common law certainly does not; the common law makes it incumbent upon carriers of goods, but there is no such obligation at common law upon carriers of passengers for hire. There may be some provision in the Acts of Parliament which renders it incumbent upon railway companies to carry all persons, but otherwise I apprehend there is no obligation upon them; that is to say, that no man who went to a railway station could bring an action against the company for refusing to be a carrier of passengers, at common law; but there is generally great anxiety to carry passengers, and make money, and carry for hire, and get gain upon the carriage of them; therefore, as regards that, I do not think there can be any ground of complaint at all, or any reason to alter the law upon the subject. They carry passengers, I apprehend, in the same way as any other person seeking to make money by a business seeks for as much custom as he can get. (Mr. Baron *Bramwell.*) If I understand the right honourable Chairman's question, the idea of the companies is, that they cannot limit their liability. As I understand, they may refuse to take altogether, and if they may refuse to take altogether, they may take upon such terms as they think fit. The only doubt that I have upon that is, as you know, that in the Acts making them railway companies

Sir *S. Martin*, and Sir *G. W. W. Bramwell*.

20 June 1870.

companies you give them permission to be carriers; that permission, of course, they need not exercise, but there is, I think, in one of the general Acts relating to railways, an obligation that they shall every day run a train at a certain rate, and that train therefore they would be bound to run, and I suppose they would be bound to run upon common law terms, and they could not limit their liability in respect to passengers so carried by that Government train, but otherwise I do not see what there is to prevent their saying to each individual passenger as he comes, "We will carry you upon such and such terms." I mean in point of law; but how far that would be a practical matter is another question.

843. (To Mr. Baron *Martin*.) Is it not the case that they are limited by their Acts, and cannot charge above a certain amount?—They are limited; I see constant complaints that they charge up to the utmost limit, and charge exorbitantly.

844. Supposing a life of a most valuable description; for instance, the Archbishop of Canterbury has been mentioned as an abstract individual: supposing they were to say, when the Archbishop of Canterbury came in, "You are far too valuable for us to take at our general rate, we must charge you, as we are bound to carry you perfectly safely, three times as much as another gentleman;" would that be legal?—It would not be legal; I believe that you are restrained to a certain limit with respect to each class of passengers, and therefore all that the company could say to the Archbishop of Canterbury would be, "We cannot take you." (Mr. Baron *Bramwell*.) My own notion is that they could not refuse him if they were carrying passengers; but what I think they could do is this, they could say to every passenger who presents himself, "We will carry you, of course, at the statutory rates, but with no liability for accidents;" I do not see what there is in any Act of Parliament to prevent that.

845. Do you think it would be valid if a company were to put up a notice, that they would not be liable at all, or that they would only be liable to a certain amount?—I was not aware till a little while ago that that question would be put; but, answering the question offhand, I do not know of anything in any Act of Parliament to prevent it. They are not bound to carry at all, excepting by the Parliamentary train; then if they are not bound to carry at all, I suppose they may carry upon such terms as they think fit, except with respect to the Parliamentary charges, as to which there is a limit; but whether it would be held, that inasmuch as they were bound to carry at certain Parliamentary charges, it must mean upon the common law terms of liability, may be a question. I do not see anything to prevent it. (Mr. Baron *Martin*.) Upon this matter I should say that, if you wish our opinions upon it, you had better give us a little time. But, like my brother Bramwell, I had no idea that I was to be asked the question; I have very great doubt whether carriers of passengers for hire could say to their passengers, "I will carry you, but no matter what occurs upon the journey, I will not be responsible for damages;" I have considerable doubt whether it would be lawful to do that. It seems to me that it might be an illegal thing for a person who carried passengers for hire to say, "Under no circumstances shall I be responsible in the event of damage arising in the course of the journey." It would seem to be repugnant to the contract; but it is an abstract question, and I should like to consider it before I gave an answer. The question constantly arises with respect to the carriage of goods.

846. In the Act for the Better Regulation of the Traffic on Railways and Canals of 1854, in the 1st clause there is this definition: "The word 'traffic' shall include not only passengers and their luggage, and goods, animals, and other things conveyed" by them, and so on; and consequently passengers are made luggage?—I am not aware of that. (Mr. Baron *Bramwell*.) And then, in the same Act, it is said that in some cases they may not exempt themselves from their liability.

847. The marginal note of the 2nd section is, "Railway Companies to make arrangements for receiving and forwarding traffic without unreasonable delay and without partiality," and the definition of the word traffic, says that it "Shall include not only passengers and their luggage and goods, animals and other things conveyed by any railway company or canal company, or railway and canal company, but also carriages, waggons, trucks, boats, and vehicles of every description." (Mr. Baron *Martin*.) You will consider the answers which I have given to be in reference to the common law; it so happened that I had a very great deal of experience in cases connected with carriers whilst I was at the bar. I, for many years, had been counsel for Pickford's, and if you wish to ascertain what is the effect of notices, and how notices can be made available, I could refer you to several cases, especially to the case of Wilde *v.* Pickford, where you will find the law laid down with great precision; but I should not desire to be considered as giving an opinion upon an Act of Parliament, unless the Act of Parliament be before me; it must be governed by the terms of the Act of Parliament, and the language of it.

848. I think I understand you that the liability of railway companies is, under the common law, similar in kind to that of other carriers?—As far as I am aware, entirely; I never knew the statute law brought to bear upon the question of the liability of railway companies for the carriage of passengers. (Mr. Baron *Bramwell*.) It really is a question of contract; a man pays his money, and that constitutes a bargain between him and the companies, and the bargain to be implied is that they will convey the passenger with reasonable care and diligence in the matter, and then, if by the negligence of their servants a man comes to any harm, the bargain is broken which the railway company has made between themselves and that person.

849. Assuming it to be the same law with respect to railway companies, and with respect to other carrying bodies, or private individuals, do you consider that there is any hardship in the law that, where there has been no positive negligence on the part of one person, and an accident comes to another, the person through whom it may be said that the accident came should be subjected to unlimited liability. Perhaps I had better state a case to make our meaning clear. We will suppose that the carriage of a private individual, by some accident, injures a person going along the street; that it is proved that the gentleman whose carriage has done the mischief has been specially and particularly careful in getting

getting as careful a driver as he possibly could, and that there is not the slightest ground for supposing that he individually could have done anything to prevent the accident: under these circumstances I apprehend that there is no doubt that he would be unlimitedly liable for the accident that had accrued, by what may be called the negligence of his servant; do you think that there is any hardship in this state of the law?—(Mr. Baron *Martin.*) That is a question involving very great consequences indeed. The question involves whether or not the law of master and servant is to be altered. The law of master and servant is as old as any law in this country, and it renders the master responsible for the negligence or misconduct of his servant whilst acting in the course of his duty as servant. It is a law as old as Lord Coke. There is a well-known distinction between the liability arising from the relation of principal and agent and the relation of master and servant; and I am not prepared to say, without further consideration, and a great deal of consideration, whether it is expedient to alter the general law of master and servant. You can scarcely make a difference in the law of master and servant, as between railway companies and their drivers and a cab proprietor and his driver. (Mr. Baron *Bramwell.*) If the man who is driving is my servant, that is to say, if I have a right to tell him how to drive, whether to go fast or slow, or to turn the horse right or left, I am liable, because as I could direct how the Act should be done, the way in which it is done is my affair, I take it; but if he is not my servant, if I hire a cab, for instance, and tell him to drive to so and so, he has a right to say, "I shall take which street I like, or I shall drive as fast or as slow as I like; it is not your affair, I am bound to carry you from one place to another;" I am not liable. The consequent absurdity is this, that if my servant is driving my own carriage I am liable for his negligence; but if I job a carriage for a day, or even job a coachman for a day, the relation of master and servant does not exist between him and me, and I am not liable; that does not seem to me to stand upon any sensible principle. I have heard it attributed to this, that it is a relic of the old Roman law, when servants were slaves, and the masters were held liable for their acts in the same way as you are now liable for the trespass of your horses and cattle, and other things. I have heard it attributed to that, but otherwise I do not see why the liability should exist at all on the part of the master for his servant, when the latter has done wrong and the master has done his best to secure a good servant, and he has given him no unreasonable means of doing mischief. It is quite certain that if your servant in your absence puts your horses to your carriage and drives his fellow-servants on for a treat, and then through negligence an accident takes place, you are not liable, because he is not upon your business. It seems to me, therefore, that the law is, to say the truth, rather an irrational one. You may make it ludicrous in this way: My gamekeeper is a servant who has a gun, and my coachman is a servant who has a carriage; if the gamekeeper should mount the carriage and drive it contrary to my orders, and if the coachman should take the gun and fire it contrary to my orders, I am not liable for either of them; but if the gamekeeper fires negligently with the gun, and the coachman drives negligently with the carriage, I am liable for both, and I confess that I see no reason in that at all; but I am afraid that that is not quite the question before you, the Committee, because, in the case of a railway and a passenger, it is a matter of contract. In the case of a man who is run over in the streets by your carriage, it is a simple *tort*, it is a wrong, there is no antecedent bargain between him and you, and it is a mere wrong; but in the case of a man whom you undertake to carry on a journey from one place to another, you have entered into a bargain with him that you will carry him with reasonable care at all times, and you have not kept your bargain, because your servants have failed to do so; so that the two cases are not identical, if you will forgive me for saying so. (Mr. Baron *Martin.*) The master has a different liability criminally to what he has civilly. He is not liable criminally at all; it is a mere civil liability.

850. Supposing the master sits upon the carriage on the box, and directs his coachman to drive very recklessly, and he runs over a man and kills him, who would be liable?—Both would be liable, and I apprehend that if the master is sitting on the box, and desires the servant to drive in the most careful way that a man can drive, but if, instead of that, he disobeys the orders he has received and drives negligently and furiously, the master would be responsible civilly.

851. The master would be responsible civilly, whether the servant drives recklessly or whether he drives carefully, whatever directions he may have given to the servant?—Yes; for an act done in the course of the service. The master is not responsible for an act of violence of a servant not done in the course of the service, but for an act done in the course of the service he is responsible, although it is wilfully and recklessly done; you will find that decided in a case in the Exchequer Chamber.

852. With regard to criminal responsibility, under what circumstances would a master be liable, say for manslaughter, supposing his carriage killed a man?—I am not aware of any, unless he was sitting on the box and encouraging the man to do it, and then it would be his own act.

853. In order to make him criminally liable he must be a party to the special act?—I should think so, certainly.

854. And no general authority to a servant to drive would make him liable criminally?—I think not.

855. But the general authority to drive the carriage would make him liable unlimitedly with respect to civil damages?—I believe you have stated the law perfectly correctly. (Mr. Baron *Bramwell.*) I quite agree with my brother Martin, but for fear of any misunderstanding, if the thing were actually wilfully done; that is, if a man wilfully drove over another, he himself would be liable and not his master. (Mr. Baron *Martin.*) If the man got off the box and fought a man that was insolent to him, and injured him, the master would not be liable.

856. Does a railway company stand in a different condition, in consequence of the fact that the liability arises upon a contract and not under the common law?—There is not much difference, I should think, between them. I have known cases of actions brought against railway companies, where there was

Sir *S. Martin*, and Sir *G. W. W. Bramwell.*

20 June 1870.

no contract between them and the party who brought the action. There is a case now pending for judgment in error, where a railway carriage or engine destroyed a cart and horse crossing one of the lines near London, and there was no privity of contract between the owner of the horse and cart and the railway company; that would stand precisely upon the principle that you recognise of a man driving in the street; but it is idle to say that it is the same in administration, for it is not; indeed I do not think even if the matter was not tried by a jury, that you would have practically the same responsibility cast upon a man who was under no contract, but who merely was exercising his business in the street as upon a person who had made a contract to carry you safely, although probably in laying down the law you would lay it down in the same terms, but the practical conclusion would be, that the person who had entered into a contract would be held much more strictly than an independent person who is guilty of a mere act of negligence.

857. Is the law the same with reference to a railway company when they injure a person with whom they have no contract, and when they injure a passenger with whom they have a contract?—My brother Bramwell has told you that our direction to a jury in the case of a railway company is, that they are not insurers; that they are not under legal responsibility at all events, and that they are not responsible unless those for whom they are responsible have been guilty of some want of due care, or have been guilty of an improper act; and I apprehend that if there was a collision between two carriages in Parliament-street, the jury would be told pretty nearly the same thing, that the one man was not responsible for an inevitable accident, and that if it was an inevitable accident the law casts upon the person who sustains the loss the burthen of it, and that they must be satisfied that there has been some want of care or improper conduct before they fix the defendant; but I am sure that practically there would be a different measure of care required from the person who was under contract to take care, and the person who was merely under the general liability of the law.

858. Assuming that the liability of a railway company in the case of the transit of passengers rests upon contract, is it not clear that the contract, to a certain extent, is compulsory; it is compulsory, partly by Act of Parliament and partly by the nature of the case, because they cannot, in reality, enter into a bargain with each particular man; consequently, even where there are no provisions of an Act of Parliament, the contract might be in its nature of a very simple description, and it might be practically compulsory upon the company to adopt one form of contract. Do you think there is any hardship upon a company in such compulsory contracts being so enforced?—I do not know of any. I do not see myself, to a general question of that kind, how I can give any other answer than that there is no hardship upon a man, or upon a body of men who choose to carry on a particular business, if they are made responsible for the ordinary liabilities consequent upon that business. It seems to me that they must take the benefit with the burden, and that there would be no reason that a railway company should be relieved from the ordinary responsibilities of carriers, no more than that you should say that any other tradesman or tradesmen should be relieved from the ordinary consequences of a thing occurring in their trade. It seems to me that it is an incident of the trade to bear them; my own notion is, that the hardship upon railway companies is not upon the law, but upon other matters unconnected with the law; the law seems good enough. (Mr. Baron *Bramwell.*) I should like to begin my answer to the Committee, by saying that I am a railway shareholder, and therefore I invite them to look upon what I have got to say with some distrust. If it is a matter of bargain practically, if a company could say what the bargain was, I think no question of hardship could arise. But as you have put it practically, it is a matter of law, theoretically they may bargin, practically they cannot. My Brother Martin and I both remember the time when the carriers of goods used to endeavour to limit their liability by notices, but the jury found against them in some way or other, until at last an Act of Parliament was passed to remedy it; but, for my own part, I should say that if left to myself, if I undertook the management of a railway company, I should be inclined to say that I should not have the slightest objection to the ordinary railway liability, provided that none but honest claims were made against me; but what I object to is to a liability which involves dishonest claims being brought against me, and foolish or dishonest verdicts being given against me; and therefore, though I believe you to be a very honest man, who now come for your first-class ticket, I must ask you to agree with me that you will not hold me liable for any negligence; because if I do not so agree with all the passengers, and any accident happens, there are rogues in the train who will be bringing actions against me, and there are a good many of them, I have no doubt; but if none but honest actions were brought, and fair damages given, I do not see any particular reason why the railway company should limit their liabilities; but when one sees the way in which they are treated, according to my humble judgment, I think it is very desirable that they should be at liberty to put a stop to it if they can. I do not know whether it is pertinent to make the remark now, but it has occurred to me that it might be done in a reasonable way in this manner; let the general law be that I am not liable to you for negligence, but if you choose to pay an extra 1*d.* I will be; nobody would pay the 1*d.*, they never care about it; nobody is afraid he will be upset; railway claims are never made till actually the accidents happen; I should have no fear about it, and yet I would give a fair option to any man if he liked to insure himself against negligence, and let him pay his extra 1*d.*; the truth is, none of us would.

859. Do you think it would be a good thing if a law were passed to say that the liability of the company should be limited with respect to persons paying the ordinary fare, but that if parties would pay a little more, then the company should be held subject to further liablity?—(Mr. Baron *Martin.*) That is one of the matters which you mentioned in your note to me, and I have thought a good deal of it since; and, in my opinion, as regards the public, there would be no right to complain at all of such a principle. You mention such a provision, and of course you merely mention it in general terms. You say 400*l.* for a first

first class passenger, 300 *l.* for a second, and so much for a third. I refer to it only to explain the meaning of the answer that I am about to give. And then you further state that that is to be accompanied with the liability on the part of the company to give an insurance ticket to an amount, say a limited amount, or an unlimited amount, upon the payment of a reasonable sum for the insurance. So far as the public is concerned, I see nothing at all unfair in that; but I would myself strongly recommend the railway companies to consider well whether they would accept it, for I am afraid you would find that the consequence would be that in almost every instance they would be held liable to the full amount. In juries you have 12 men to decide, and they must concur in giving the verdict. In almost every real railway accident (I do not mean such accidents as my brother Bramwell was speaking of, to which I shall have a word to say in a few minutes), I believe that the great majority of claims are real. Some of them may be exaggerated, but they are not merely fictitious claims, and I should say that such a law would, in all probability, lead in a very great number of cases to damages being given to the entire amount permitted, and that you would not get the jury fairly to consider whether or not the amount of damage was not less; and I fear that practically the railway companies would find the law not to be beneficial to them.

860. However, you do not think there would be any hardship upon the part of the public?—I think not. I think that the public would have no right to complain of their being told, you travel by this railway, and if you think fit to pay a reasonable sum, you may have an insurance to any extent you like; but in the event of an accident occurring, you can only recover a certain sum, that sum being such as to secure to the public what I do believe they get, namely, the greatest care that carriers can possibly give to ensure proper carriages and proper conveyance. I have seen many cases where verdicts were quite right, but I am not aware that I ever tried a case where there was what you would have called blameable, culpable negligence on the part of the railway company. I do believe that the servants are excellent. I have never seen a drunken man upon a railway myself, nor have I ever heard a case tried, that I remember, in which any servant of a railway company was alleged to be drunk, or in a state of incapacity. (Mr. Baron *Bramwell.*) I entirely concur with my brother Martin. I cannot see what hardship there can be in permitting two people to make a bargain; in England at all events, I am persuaded it may be permitted.

861. You think that a law to that effect, authorising the railway companies to limit their liability to a certain fixed amount, imposing upon them the duty of insuring anybody who estimated his risk at a higher rate than that, would be perfectly fair as far as the public is concerned?—Perfectly fair, upon the simple principle that it is open to them to enter into it or to leave it alone.

862. Do you concur with Mr. Baron Martin that, in the cases that have come before you, there has been an absence of culpable negligence on the part of the railway companies?—It is really wonderful the small amount of reprehensible negligence; and I think the Committee will feel that when they remember how very rarely it is that any engine driver, or the person said to be in fault, is ever found guilty of manslaughter. (Mr. Baron *Martin.*) I do not remember ever trying such a case. (Mr. Baron *Bramwell.*) I think I had once the case of a man convicted before me; but wherever there is negligence for which a railway company is responsible, or, rather, I will not say wherever, because it may be a slightly higher degree of negligence which is necessary to make the servant who was actually guilty of it liable to manslaughter, so that I will not say that they are quite the same thing; it must be culpable or criminal negligence. Perhaps something less is necessary to make the company liable, though what culpable or criminal negligence is nobody can define; and I could refer the Committee as an authority for that to Adam Smith's "Theory of Moral Sentiments," in which he says that it is impossible to define what amounts to culpable or criminal negligence; but it is wonderful the very small amount of blame that is attributable in those cases where, nevertheless, railway companies are held liable.

Sir *S. Martin*, and Sir *G. W. W. Bramwell.*

20 June 1870.

863. It has been suggested that in some cases the injury has arisen after the contract had been completed; for instance, there was one case brought before us in which a lady stumbled in consequence of a hole in the carpet, after she had completed her journey, and not in travelling. Do you think that, under those circumstances, the railway company ought to be liable?—The Lord Chief Baron, who tried that case, told me that there was no direction by the judge to the jury, nor any finding by the jury, but the verdict was consented to by the counsel for the defendants. It appears to me, that it was, in truth, a case of contract, because where a railway company takes a person as a passenger they contract with him for safe carriage and easy and reasonable means of egress from the premises, and therefore it is a part of their contract that there shall be no trap or snare in their way as they are going out; but even if that were not so, supposing the thing had happened as she had entered the railway premises, the rule would be the same; it would not be a case of contract there, but it would arise upon the same priniciple, which is familiar to my brother Martin, that if a shopkeeper has got a trap-door open in his shop, and anybody falls down it, the law makes that shopkeeper liable, not on the score of any contract exactly, but on this ground, that he has by keeping his shop, and having his door open, invited all persons to come in and trade with him, and has by implication undertaken with them that they may do so without unreasonable danger, and there is therefore in that case something in the nature of a preliminary bargain, "If you will come into my shop to deal with me, I will undertake that there shall be no needless impediment in your way." In the case of this woman, as she was leaving the railway premises after having been carried, she tripped upon a hole in the carpet in the waiting room, fell down, and was seriously injured, and she brought her action.

864. Assuming that to be rather a strong case, still there is nothing contrary to the ordinary principle of the law in it?—Keen as I am in favour of railways, compared with the treatment that they meet with in general, I always thought it was a proper cause of action, and that this lady had a right of action against the company just as much

Sir *S. Martin*, and Sir *G. W. W. Bramwell.*

20 June 1870.

much as if they had a trap door open there. (Mr. Baron *Martin.*) You must of necessity decide the question where liability of this kind begins and where it ends, and when you get upon the very bounds of the line there is some difficulty in determining it. I know that almost the only difference of opinion which I think has occurred during the last four or five years between my brother Bramwell and myself was upon a question of this kind, viz., where was the termination of the liability, in respect of some bullocks which were brought up from Devon. The transit began on the Bristol and Exeter line, and the bullocks came up to Paddington by the Great Western Railway, and we had a difference of opinion in the Court of Exchequer whether or not the liability of the company had terminated when one of those animals was killed. It is impossible to avoid difficulties when you have to draw the line where responsibility ends and non-responsibility begins. It would be impossible to avoid that, in any state of the law. A line must be drawn, and when you come just upon the line there always will be a difficulty.

865. I think you mentioned that, in your experience, but few cases had come before you in which there was what might be called culpaple negligence; would you consider it culpable negligence if trains ran rather too rapidly one after another?—You would scarcely call that culpable negligence; it would not be negligence properly so called, it would be an improper arrangement, it would be an act done by the company. I should myself think that there ought to be some reasonable limit with reference to trains, but I do not see how we can give you any opinion upon that subject. If the Scotch limited mail was started after some slow train that ran down to Harrow, and overtook that slow train, and an accident ensued, there could be no doubt that the railway company would be responsible for it; but I do not think we could give any opinion that would be worth the consideration of the Committee. (Mr. Baron *Bramwell.*) I think that your question answers itself. You say, would it not be wrong if trains started too fast after each other? By the hypothesis it would be, but whether it would be a culpable thing, in the sense that you would punish or illuse the people who had done it, and make them subject to the criminal law, would depend upon how gross the negligence was.

866. Do you think that there is any hardship in the manner in which the law is administered? —(Mr. Baron *Martin.*) I have considered the matter a good deal since I received your letter. You must take it that the law is administered by 17 judges, and you will not find 17 people that will entirely concur upon the matter of damages. You have heard what my brother Bramwell's view is, and though probably not taking so strong a view with regard to railway companies as he does, yet, as far as I have had it in my power, I have endeavoured always to keep the damages moderate. I cannot bring to my mind but one case which I have tried, where I thought the damages outrageous; in some cases I might have given less, but there was not anything to complain of. I spoke to my brother Bramwell about it, and it was his experience also. He says that, taking into consideration the cases which he has tried, it is his impression that, if the cases were really genuine cases, the damages have not been excessive, but I must add that I have seen in the newspapers damages which, if the facts were correctly stated, I thought were excessive. I know that there are some judges who take the view, that the damages ought to be high, and in all probability they lead the jury to think so too. But you will not be able, as it seems to me, to avoid this difference and discrepancy until you can bring 17 men to be all of one mind. I have not myself heard, of course, any cause tried by any other judge, and all that I know is what I have learnt upon motions for new trials, and I have observed that there are judges who seem rather to think that large damages are the proper damages to be given in cases of this sort, but others, I know, do their very best to keep the damages in moderation. I do not know whether or not the railway companies have supplied the Committee with a list of the cases that have been tried, and the amount of damages given. If they have, I strongly think that you will find that the damages in cases tried before me could not be said to be excessive. The case to which I refer as being excessive was an action which was brought by the executor of a veterinary surgeon at Bolton in Lancashire, who was killed in that accident upon the South Eastern Railway, which occurred by a bridge breaking down. There may have been, perhaps, actual negligence in that case, and some means ought to have been taken to have stopped the train by reason of that accident having occurred upon the railway before the train came to it. (Mr. Baron *Bramwell.*) I do not think that the damages usually are excessive, on the contrary, I am rather surprised at their moderation when one considers the cases that are brought forward of the loss of limb or sight, and those dreadful concussion cases also; but I think the railway companies are excessively unwise in trying cases always before a special jury, for a special jury always value their own and consequently the sufferers' lives and limbs at a higher rate than a common jury would. But the fault I find with juries is, that they find negligence in the railway company and no negligence in the passenger, when they ought to find negligence in the passenger and no negligence in the railway company; that is the fault I find with them, and I am afraid that they very often do it.

867. It has been stated to us that if a company once admits its liability the jury does not consider the least about negligence on the part of the passenger, or anything except simply the amount of damages; is that the case, do you think?—(Mr. Baron *Martin.*) It very frequently occurs that the counsel for the defendant says he admits the liability, and then there is an end of it.

868. Has there been any case in which there has been negligence upon the part of the plaintiff or on the part of the person injured?—Yes; and I think that in cases where there has been negligence on the part of the plaintiff the verdict has been for the defendant. I have no doubt there have been several cases tried before me in which companies have obtained verdicts upon that ground. According to the law of England in a matter of negligence, the act of negligence must be exclusively that of the defendant; if the plaintiff has himself been guilty of conduct which in the words most commonly used conduces or contributes to the injury, the defendants are not responsible; and again, if the circumstances be such that no blame is attachable to either party, and it has been one of the accidents of humanity which will occur, neither

Sir *S. Martin*, and Sir *G. W. W. Bramwell.*

20 June 1870.

is the defendant responsible. And the jury must be satisfied that the cause of injury was entirely the negligence of the defendants. That is the ordinary course of summing up; generally I begin with it, and so far as I am concerned, I begin with a sort of stereotyped form, which if it were a case of much importance I would write down that there should be no mistake. I have no doubt that it is a sort of stereotyped direction with other judges; I am satisfied that there are cases in which the defendants have obtained verdicts. There was one case of that kind the other day.

869. It has been stated to the Committee that the damages given against a railway company are much larger than what would be given in like cases against individuals; do you know whether the damages given against railway companies are not greatly in excess of what would be given against individuals or certain small associations; for instance, the owners of cabs and omnibuses, and steamboats?—It is my opinion that there is a higher scale of damages given against railway companies than would be given against private individuals for the same injury occurring by an illegal act of theirs. When railway companies first began there was a general impression that they were very valuable and profitable concerns; the shares rose very high, and it was thought that they were exceedingly profitable to all persons concerned in them; and I believe that a scale of damages then began, which we have never since got rid of. If I remember rightly, the first case in which a large sum in damages was given, was one in which a Dr. Carpue was plaintiff against the Brighton Company. There was a very large sum of money given to him, and it always seemed to me that that began the mischief which has gone on since that time. Again, there was an action that was brought against the Great Northern Railway Company, in which the sum of 13,000 *l.* was found by a jury in respect of the death of a Mr. Pym, which was a very large amount; and there was also the case to which I have referred; and I have no doubt whatever, that if this accident had occurred from a man being upset by the negligence of a mail-coach driver the damages would not have been a tenth part of the amount. If a man gets his leg broken by the negligence of the conductor of a railway train, or a person connected with a railway company, and an action was brought against the proprietor of a stage coach by another man for exactly the same accident, you would find the damages different; in fact, upon a different scale altogether, and the jury would think that the cases were not at all analogous when one of the parties was a rich railway company. (Mr. Baron *Bramwell.*) I do not venture to differ with my brother Martin, because he knows better than I do upon this matter, because he has tried more cases; but I should not have expressed precisely the same opinion that he has. I think that as large damages would be given against a large steamboat company, or a large omnibus company, or any other large company, as against a railway company; and I think they give smaller damages against individuals, because they cannot make up their minds to give such an awful sum of money as it would be if it came out of an individual purse in many cases; but I do not conclude from that, that the damages given against railway companies are very unfair. (Mr. Baron *Martin.*) Probably in the case of large steamboat companies, or large omnibus companies, such as the Metropolitan Omnibus Company, I daresay it is so; but I was contrasting in my mind the damages that were given in cases of accident that occurred by stage coaches or mail coaches. I adhere to the opinion which I have given that, with regard to railway companies, damages are given on a much larger scale than would be given for liabilities of a corresponding character against other people.

870. Of course, you are not aware of what takes place before the case comes into court; you can only judge upon it when it comes into court; but so far as you can form an opinion, and according to your experience, do you think that railway companies unfairly contest cases, in the hope that the plaintiff will be driven to accept a less compensation?—That is also a matter upon which I have thought a good deal since I have received your letter, and I have spoken to my brother Bramwell about it. It involves the question of payment of money into court; that is not at all a difficulty peculiar to railway companies, for before railway companies existed, I have no doubt that my brother Bramwell, as well as myself, had weekly, and probably more than weekly, to consider what was to be done in a case where the defendant was certainly responsible for negligence or damage of some kind, and where we had to consider the payment of money into court. By an Act which became law since I began to practise at the Bar, and I believe since my brother Bramwell did also, it became admissible to pay money into court in respect of liabilities to damages; and I can state my own experience, and I believe the experience of all, that it was utterly useless to pay money into court. No matter what money you paid into court, the jury would give more. It was used against you that you had admitted your liability by the payment of money into court, and you could not prevent it. I believe that if a railway company paid a reasonable sum into court, they would find that there would be a verdict against them for a further sum. The jury would say, "It is a very hard thing to make this man pay the railway company's costs, and we will not do it; we will give him a further sum;" and they do do it. In that respect I believe that railway companies are in the same condition as their neighbours, and that any one who is liable for an action for damages would have the same difficulty. Another matter that I ought to mention is, that railway companies complain very much with regard to costs, and they say very truly that in almost every case where they are liable to an action they can do nothing to get rid of the liability for costs, which is very large. I have made some inquiry into it, and I find that probably railway companies are somewhat to blame, if you call it blame, and they bring it upon themselves somewhat by their own act. An accident happens, and most railway companies have, I believe, a medical man who is their general adviser; and they at the trial give as evidence the opinion of medical men of the very highest possible reputation and character. You are told that their medical witness is chairman of this hospital and surgeon of another hospital, and he is heralded in with a flourish of trumpets and half a dozen statements of the many offices he holds as surgeon and physician;

Sir *S. Martin*, and Sir *G. W. Bramwell.*

20 June 1870.

sician; the man who brings the action against the railway company knows that it would be quite hopeless for him to come up and go to trial with a mere apothecary, or general practitioner, in the country, to set against great guns like these, and therefore he goes and gets other great men to come for him. It is a mere matter of opinion; they are not speaking as to facts, but they come to give their opinions, and I am surprised at what I hear of the expense of obtaining those opinions. I am told that surgeons of eminence require a very large sum of money for examination of the case, and I am told that it is the practice to require 25 guineas a day for their attendance in court to give evidence. Then the Master will only allow either a guinea, or at the very utmost two guineas a day, so that the plaintiff is at a dead loss with regard to at least 23 guineas for each day that the case happens to be in the paper, and the consequence is that the bill of costs as between attorney and client very much exceeds the bill of costs as between party and party, so that a great deal of the damages recovered goes to pay that bill. I was told by an excellent authority last week that with reference to the Brighton accident, in respect of which so many actions have been brought against the Brighton Railway Company, that unless a man got damages to the amount of 300 *l.*, in most cases it occurred that he was a loser by the verdict. (Mr. Baron *Bramwell.*) I entirely agree with what my brother Martin says about a jury always finding a trifle beyond, and sometimes a good deal beyond, the amount paid into court; and it occurred to me, after I read the right honourable Chairman's note to him, whether the same principle might be adopted that is adopted in respect to a man who is indicted for an offence after a former conviction, that you do not speak of the former conviction to the jury till he is found guilty of the particular crime with which he is charged; that, in like manner, the amount of money paid into court might be withheld from the jury until they had given their verdict and said what the right amount should be. I venture to suggest that for the Committee. I have formed no opinion upon it, for I have not had time to think whether it is worth making any provision for. But as to whether railway companies defend actions improperly, I have been trying to think of a case of that kind. I think I was invariably concerned for four of them. If the gentlemen are here, probably they have forgotten me by this time; but with regard to the Great Western, the South Eastern, the Brighton, and the Great Northern Companies I think I always held their briefs, and I am quite sure that we never defended a case unless we felt absolutely bound to do it, for we knew that the chances were that, even if we were right, we should get beaten, and much more so if we were wrong; we never defended a case if we could help it. But it occurred to me with reference to such a congeries of accidents as happened in the case of the London and Brighton Railway Company, that this thing might possibly be done. At present each plaintiff thinks (and of course for ever it will be so) that his case is a separate one; his leg is not the arm of his neighbour; they have each lost a limb, and a different limb, and they are entitled to present their case by their own witnesses, and their own counsel and attorney, but I have thought that I might possibly venture to suggest to the Committee, not as a definite opinion of my own, but as a suggestion which they might, perhaps, think worthy of their consideration, that a railway company, when a great accident of this sort happens, might present a petition or memorial to the Board of Trade, for instance, in which they might either confess or not confess, according as they thought fit, their liability, and then require that all the claims should be sent in there and then, if you like, that they might be examined before a judge, or before a judge and jury; but let the same judge, and the same jury, and the same tribunal examine into them, so that you would not have what you now have; for instance, each man has his own separate writ, his separate declaration, his separate witnesses, and his separate attorney; not his own separate counsel, for there are generally two or three of them at the same time, but he has his own counsel, with separate briefs, involving an immense amount of extra and needless expense; and each plaintiff is, of course, entitled to say, "I cannot tell how you will meet my case; I must be able to prove negligence, and prove the whole matter, whereas, if you could refer the general question, if it might so be said, to the same tribunal, and let that tribunal assess the particular damages in each case an immensity of expense would be saved. If I may be permitted to suggest to the Committee by way of justification for what may be said to be anomalous or unconstitutional in that proposition, I know that there is a precedent for it in the case of the Sheffield Waterworks, where, if you remember, the reservoir gave way and caused an enormous amount of damage. In that case a Commission was issued, before which all the people that were injured had to bring their claims. My learned friend Mr. Overend was at the head of it, and I have not the slightest doubt in the world that if that case had been left to ordinary litigation, the expenses would have been tenfold what they must have been before him. (Mr. Baron *Martin.*) With regard to the suggested remedy of requiring the amount paid into court should not be mentioned, I would say that it would be utterly hopeless except you can devise some Parliamentary means of stopping counsels' mouths. When the power of examining parties on their own behalf was introduced, many people were apt to state, and their statements were amply confirmed by experience, that there would be an increase of perjury; and accordingly it was introduced into the Act that the judge was to have the power to direct that any person who committed perjury should be committed to trial, and tried before a jury. There is the most positive provision that it should be in nowise mentioned to the jury that this had been done; that they should try the matter in ignorance of it. The counsel for the prosecution were always straightforward and honest in this respect; but the first thing the counsel for the defence did, was to make a complaint of the tremendous hardship of a man being sent to be tried with the decision of a judge round his neck. Instead of being kept from the jury it was the first thing that was announced, and that they were to be on their guard lest they should give their aid to this tyrannical proceeding of the judge in sending the man to trial. I do not believe that every man on the jury would not in 10 minutes know what had been paid into court. You never could keep it from them.

871. The principle applicable to costs in cases in

in respect of compensation for land is, that if the claimant does not recover more than the sum offered by the company, he does not get his costs, but each party pays his own; might not the same principle act as a strong preventive against dishonest and exaggerated demands, if applied in the case of compensation for accident?—I think myself that if it were applied to cases of accidents on railways it would have a beneficial effect; but I desire to say, in answer to the last question, that I think it would be very desirable that, in a case such as that of the accident upon the Brighton Railway, which has led to so many actions, if there were some power given to the Board of Trade to interfere and stop all the actions, and refer it to the same tribunal to decide them all, and compel persons to go before it, that would shorten the inquiry very much, and would lead to an amazing saving of expense; for as Mr. Baron Bramwell has said, I have no doubt there are several pages of briefs in every case that have to be paid for by the railway company; in very many instances, the same thing has to be paid for over and over again. They must pay the taxed costs; they have no possible opportunity of preventing it; they have no means of controlling those costs; and I daresay that the Brighton Railway Company have paid hundreds of pounds for costs in respect of their liability in this respect. (Mr. Baron *Bramwell.*) I agree with what Mr. Baron Martin has said; in truth, what he suggests, to a certain extent, exists by their power of payment of money into court, because up to the time of the money being paid into court the costs are trifling; but we have seen very little advantage in it, from the fact that juries always go beyond the amount.

872. (To Mr. Baron *Martin.*) You mentioned the fact of the high charges paid to medical men, have you any knowledge of what has been stated to us that in fact there is a class of medical and legal speculators of not very high character who trade in those cases?—I certainly have had occasion to suspect it in two or three cases. The authority from which I spoke with regard to the high charges by medical men, is a barrister of very considerable eminence, to whom I spoke, as I knew that he had the means of giving me information upon the matter; I do not know it judicially, I never have had reason to know it in any other way than by the statement of a gentleman who has had experience in the matter, and whose words may be thoroughly depended upon; I have known certainly one instance, very lately, where I believe the case was got up by a medical man who was believed here in Westminster; but another action was tried against the same company at the Guildhall, in which the same man was a witness; but the company in the meantime had made some inquiries about him, and the result was that he was so discredited upon his own cross-examination that the jury found for the defendants. That is a thing which occurred lately. (Mr. Baron *Bramwell*). With respect to the case which Mr. Baron Martin has put, I think that if they were at liberty to offer a sum of money, and that offer was not admitted to be put in evidence before the jury on the part of the plaintiff, it would be a beneficial thing undoubtedly, because then the plaintiff would not be able to say to the jury, "These people of course do not take an unfavourable view of their own case, yet they have offered so much money," a topic which they use now in respect of payment into court; and if the plaintiff could not say that, they would have no datum from which the jury could reckon, and consequently they might even give less than the sum demanded; and therefore I think it would be a beneficial thing.

873. (To Mr. Baron *Bramwell.*) Do you think that you could preclude the jury getting a knowledge of the case from the plaintiff's side?—They must be precluded from knowing the sum offered, otherwise the effect would be the same as the payment of it into court.

874. Mr. *Lopes.*] Are you aware that under the Lands Clauses Act they do not learn that, as a rule, in the case of compensation for land?—I was not aware of that.

875. *Chairman* (to Mr. Baron *Martin*).] The last question was whether you have any knowledge of the fact that there is a class of legal and medical speculators who trade on those cases; have you any observations to make upon that subject?—I would not like to say so, but I certainly have a strong suspicion that, in many cases, there were exaggerated bills sent in by medical men, which they never would have thought of charging to their ordinary customers; but because they expected that the jury would give as damages the medical expenses of the person who had received the injury, they sent in exorbitant and unreasonable bills.

876. It is alleged that there are a class of attorneys and medical men who look out for all those accidents, and go down immediately to make something out of them, being completely prepared to get cases up for their own benefit; have you any knowledge of that?—No; it could only be a surmise. There are two or three faces that I am very familiar with when I see them; and I think there are gentlemen in the room who could give better evidence upon that subject than I can. (Mr. Baron *Bramwell.*) I can give the same answer. I certainly do remember the case of some actions against the South Eastern Railway Company, in which I am quite certain that some attorney had gone down in search of alleged sufferers. But with respect to the appearance of the same witnesses in case after case, where a man is at liberty to call an expert he, of course, calls an expert, who takes a favourable view of his own case; that is the reason for those people appearing and re-appearing; it is not from any *mala fides* necessarily on the part of the plaintiff, or on the part of the witness. Perhaps I might be permitted to suggest that it has been often recommended that the expert called should not be upon the nomination either of the plaintiff or the defendant.

877. (To Mr. Baron *Martin.*) Is not the evidence in those cases, especially concussion cases, of such a nature as to render it very difficult to test, and therefore very open to fraud; for instance, in concussion cases where there is no external symptom, and where it rests in reality almost entirely upon the statement of the man himself as to his own symptoms?—With respect to those concussion cases, it may be, and probably is, the case, that I have arrived at a wrong conclusion; but I have an idea that the medical men do not understand them well, and I think, from the evidence that they give, it is not a subject that is well understood. I heard of two cases last week of two gentlemen whom I knew; one of them was Mr. Hall, who was a member of the Northern Circuit. He met

Sir *S. Martin*, and Sir *G. W. W. Bramwell*.

20 June 1870.

with a railway accident, and brought an action, and recovered very large damages. He was not killed; but I believe there is not the slightest doubt that he died within a year in consequence of that accident; the other was the case of a barrister, who was also upon the Northern Circuit, named Saunders. I recollect him very well, and he also met with a railway accident, and he got a considerable sum of money for damages; but he died within a very short time afterwards. I have been informed that, beyond all manner of doubt, both those deaths were caused by the injury which was received in those two accidents. Those are cases in which no doubt if they were tried, there was evidence on both sides, and different medical men expressed different opinions with respect to what were likely to be the consequences of the injury that each had sustained. With regard to those cases in which frauds are practised, I do not believe, at least I have no reason to suspect, that in the great majority of cases there is fraud; but in some cases there is. I daresay some gentlemen in this room will remember a case of an action against the Midland Company, where a man was brought into court in the most wretched state you can by possibility imagine a man to be; he was brought in upon a stretcher. He was supposed to be unable to speak, and his wife acted as interpreter. Such was the case that, although I believe the company had a perfect defence to the action by reason of a satisfaction having been received by him, under a written agreement signed by him, and a perfectly honest agreement it was, I have not the slightest doubt, on their part, such was the effect produced by the man's condition that the counsel for the defendant asked the Court to adjourn rather earlier than it was in the habit of doing, for the purpose of consulting his clients. The next morning he came into court, and stated that he had seen his clients, and that in consequence of the condition of the man, he being injured so much beyond what was thought likely to be the case at the time when the satisfaction was given to him, they would not insist upon it, and they were content that the jury should give what damages they thought, under the circumstances, the man really ought to have, supposing no such agreement to have been made, and accordingly he got 750 *l*. The money was paid a fortnight afterwards. Some of the railway people thought that it was not genuine, and accordingly they watched the man, and it turned out to be a fraud from beginning to end; the man went to Scarborough, and amused himself with jumping off the rocks and swimming about, immediately after he got the money. The statement made when they applied for a new trial was, that it was useless to go any further, for the whole of the money was spent, and there would not be a penny forthcoming. There is not the slightest doubt that it was a mere got-up case. I do know that the railway company were inclined to force it on to a second trial; indeed, they had no means of doing it after it had been tried before.

878. (To Mr. Baron *Bramwell*.) Have you had any of those cases?—I will mention a case that I was in, if the Committee will listen to it, where I was counsel for the plaintiff. It was not an action against a railway company; it was the case of a medical man who had fallen over stones negligently left by some paviors, and had struck the lower part of his spine against them. I was instructed to lay before the jury a most horrible account of that man's sufferings, and a probability of his death; that it was very unlikely that he would recover, and if he did, it would be after years of anguish and pain; and we got some damages, I forget how much. Some little time after that, some three or four years, I think, after I had been made a judge, the man took out a summons to tax his attorney's bill, and it came before me; I happened to remember the name, and I said, "Why, I remember the name of this case." "Oh, yes," they said, "you were counsel for the plaintiff in it." "Well," I said, "I do not know whether that disqualifies me from hearing the summons." "Oh dear, no," they said; "by all means hear it." I said, "How are you here taxing the attorney's bill; it was tried four years ago, was it not?" "Yes," they said; "it was tried four years ago." I said, "I thought he was going to die; what has happened to him?" "Oh," they said, "immediately after the verdict he went to the Crimea, and has been in the Crimea with the army ever since, and he has only just come back, and that is the reason his bill is being taxed now." I do not say that that was not a *bonâ fide* case; but certainly those concussion cases are most extraordinary. Perhaps the Committee will permit me to mention a case I tried the other day, which I am satisfied was a genuine one. The sufferer was a lady, an actress by the way, and she was one of a party in a railway carriage, and had a very slight shock indeed; I think there was no exterior bruise upon her, or any indication that she had been injured. The other passengers in the same compartment, her own friends, were not shaken off their seats; but I am satisfied that that woman suffered from concussion of the spine, as was proved by the medical evidence, and I was satisfied that it was a genuine case. (Mr. Baron *Martin*.) But you are not to suppose that railway companies are the only persons in this kingdom who are subject to fraudulent actions being brought against them; I have known in my experience many.

879. But is not this evidence particularly of a kind which makes fraud possible and probable?—I should think that railway companies must be subject to damages being given to fraudulent persons pretending to receive injuries, and they probably are to a greater extent subject than ordinary persons; but they are not the only persons in the community who are subject to this. Every year, I have not the slightest doubt that there are fraudulent actions brought.

880. Do you concur with the opinion of Mr. Baron Bramwell, that it would be a good thing if, either before the Board of Trade, or a judge, or some other form of tribunal, medical witnesses were appointed, not by the plaintiff or the defendant, to give an opinion upon these cases?—Certainly I do. I think it would be a very desirable thing that you should have some really independent man to give evidence; in all probability you would find that practically he would be the only witness, and you would not have that which is somewhat a scandal, two sets of medical men giving evidence directly opposed to each other; but if you had a really independent man, and you could rely upon his giving his evidence officially, and with his credit at stake, to tell what was the real state of the case, it would be very desirable. (Mr. Baron *Bramwell*.) I quite concur with my brother Martin's remark. I am not casting any slur upon the medical profession, because really it

it continually happens that railway companies' medical officers are not called upon to contradict the evidence given on behalf of the plaintiff, and that shows, therefore, that the medical testimony given for the plaintiff is *bonâ fide* true. (Mr. Baron *Martin*.) I think that it is well worthy of consideration, whether the Board of Trade should appoint some experienced person to give evidence upon the subject, like experts' evidence.

881. Would you consider that all cases for compensation should be sent to the Board of Trade?—It would be idle to say that the Board of Trade should be called upon to examine into every accident that occurs; but with respect to such accidents as that which occurred the other day, and which caused so many actions to the Brighton Company, I think it would be a very excellent provision if, in any case of that sort, the railway company should have the power of appealing to the Board of Trade, and that all the cases should be decided by some tribunal appointed by them, or under their control. I do think that is a very good suggestion, and one well worthy of consideration.

882. I think I understood you to say that you have endeavoured to control the tendencies of juries to give excessive damages as against railway companies; have you in the majority of cases succeeded in so doing?—I think I have. Two gentlemen in the Committee can tell you that I am always for reasonable and moderate damages as I call them, and I do my best to secure that it should be so. I have told you of one case where larger damages were given than I would have given; but I have not in my memory any other case where the company could reasonably complain. The Committee should have a list of cases furnished to them by the railway companies' solicitors, stating how many accidents there have been, and what was the amount of damages given. I could tell in a moment if I saw a list; but I cannot take upon myself to say further than that, upon consideration since I have received your letter, that is the only case that does strike me where, what you may say, unreasonable damages were given. Of course there were damages given in several cases where I would not have given so much.

883. Mr. *Sclater-Booth*.] That is assuming that there was no fraud upon the part of the witnesses?—In the great majority of cases I should say there was no fraud, at least, I have had no reason to suspect fraud. (Mr. Baron *Bramwell*.) I agree with my brother Martin. If I remember rightly, I used an incautions expression a little while ago. I think that in the majority of cases they are cases of nothing more than that exaggeration which we are all subject to when we are presenting our own cases for consideration; but I do not find that the damages are extravagant. As I said before, the fault that I find is, where I think there is an error in their finding the company liable when they ought not to be held liable, where either there is no blame attributable to them, or where there is contributory negligence on the part of the plaintiff; but certainly the majority of cases, so far as suffering and loss of power is concerned, have a great substratum of truth in them; but they exaggerate their money losses very much I think. I do not know that they exaggerate their pain and suffering so much; but they make out that they were carrying on a most successful business, and that it is all gone, and all lost, and that is untrue very often. (Mr. Baron *Martin*.) If there could be devised any mode of giving the judge more power than he has at a trial at Nisi Prius with regard to those cases, and if it could be put upon some reasonable footing, I think it would be a very beneficial thing.

884. *Chairman*.] Have you any opinion to offer as to the time within which claims for compensation after injury should be brought; the Royal Commission, you are probably aware, recommended six months?—(Mr. Baron *Martin*.) The ordinary limitation is six years. I really doubt whether it is necessary to alter it. If an action is brought a very considerable time after the accident has happened, except it is in respect of real suffering, arising at a distance of time not contemplated when the accident originally happened, I think that the company have sufficient protection with a jury in that matter, that they would not lend themselves to claims except where they are real. At least, as at present advised, I am not prepared to say that the statutory limitation should be altered. But I was about to say that I think a beneficial result would arise if the judge had more power than he possesses at common law in the trial of railway cases, if in some way effect could be given to his opinion without being subject to a new trial being granted for misdirection. The rule of law is, that if there is any evidence to go to a jury it must go to a jury, and the judge has no power at the end of the case to interfere. It must be more than a scintilla, though how far that goes I do not know; but if there be a case of negligence for the jury he is bound to leave it to them. Now, many cases have occurred before me where, if I had had the power (but, of course, I could not do it, knowing of a certainty that there would be a new trial upon me), I would have stopped the case, because I was satisfied that the negligence was not such as would make them responsible. But a judge has no power of doing that; and if any means could be devised of giving him, in cases where he thought the evidence was so very slight of negligence, although there was some, the power of stopping the cause, I think it would be desirable. I am sure that many cases have been tried before me where I should have been very much pleased to have been able to say, "Well, now I will stop this cause of my own proper authority;" but I could not do it because there was evidence for a jury, and knowing that, if there was a motion for a new trial, there must be a new trial in consequence of my having gone beyond the power I possessed. If anything of that kind could be done I should be glad. (Mr. Baron *Bramwell*.) That is quite my opinion. There must be more than a scintilla (what that is I do not know), but a rag of evidence would do, and what that is I do not know. But I might mention to the Committee a case that occurred the other day. A woman went to one of the Metropolitan stations, she took a return ticket, she entered the carriage on the proper side, and when she came back at night she attempted to go out at the same side at which she had entered, but instead of going out of the door at which she had entered she passed out and walked along the platform, and when she got to the end of the platform she walked off it, and walked under the tunnel expecting to find the outlet of the Metropolitan Railway and she got hurt. I inquired of the counsel what the negligence was, and the negligence was this, that one of the Metropolitan

Sir *S Martin*, and Sir *G. W. Bramwell.*

20 June 1870.

porters had told her that her way out was over the stairs by a door where she would find a man standing; and that when she got to that door no man was standing there, and therefore it was their fault that she had walked on under the tunnel and had been reached by a train. I had the courage to nonsuit her, but they moved for a new trial on the ground that I ought to have left that to the jury. The Court took some time to consider. I think my brother Martin was not one of them. After grave deliberation they held that I was right, but I was very nearly held wrong. By the way, that was an action with regard to which I said, when I gave my judgment at the trial, that nobody would think of bringing such an action as that, except against a railway company. I will mention another case. Some men were repairing the railway close to a station, I think on one of the Northern lines, I think it must have been the Midland, and a train came out of the station. It was what you may call a terminal station; that is to say, the train did not come from anywhere beyond, but it came out of this station, and through the men not getting out of the way some of them were injured, and they brought an action against the railway company. The chief of them, their ganger as he was called, said, "We really had not time to look out for the trains, we could not do it," and the men stopped there till they were run over. What was the negligence? The negligence alleged was this; that the engine driver had piled up the coals in the tender higher than was usual, and consequently, they could not see any person upon the line ahead of him. Ixhorted the jury with all my might and main to find a verdict for the defendants, on the ground that there was no evidence of negligence, or none that you could rely upon on the part of the railway company, and that there was strong evidence of contributary negligence on the part of the plaintiff, but the jury were very much inclined to find for the plaintiff, and I believe they really rather yielded to my insistance upon the matter, than acted upon their own opinion, and found a verdict for the defendants. (Mr. Baron *Martin.*) The judges are blamed a good deal, but they have very great difficulties to contend with with regard to these matters. So far as I am concerned, there is only one case that I tried against a railway company that haunts me in my conscience as having done them wrong, and I think if I had the same case to try over again, I should act differently.

885. It has been suggested to the Committee that a county court judge should try those cases without a jury; have you any remark to make as to that proposal?—I do not see any objection to that, if the companies like it.

886. How do you think it would affect the public?—I do not know. I have had no experience of county court judges. (Mr. Baron *Bramwell.*) I should like to say, in answer to that, that one does not desire to introduce exceptional legislation as to railways. (Mr. Baron *Martin.*) The truth is, I think you will find, that 17 people are quite enough different minds; and if you brought 200 or 300 different minds to bear upon accidents of railway companies, I am afraid you would have very conflicting decisions.

887. I think you have stated your accordance with the views of the railway companies, that there should be some limitation upon the liability; do you think that limiting the amount of the liability would diminish the caution of the companies?—I think I have already said that that was one element, in my opinion. I think the sum should be high enough to ensure as much caution and care as exist at present. I really do not see how it can well be exceeded. Speaking from my own experience (and I travel a good deal upon railways), I think that nothing can exceed the care and attention which is paid to the safety of all. It is really admirable; there is no doubt about it. (Mr. Baron *Bramwell.*) Though I do not think that, as a judge, I have any particular competency to give an answer to the question, I should like to say that the companies will take care for their own interests to avoid accidents. I would put it to members of the Committee, whether, in hiring a coachman, we are thinking of the damages that we may have to pay to the persons whose horses and carriages may be run against, or are rather thinking of having our own horses and carriages properly taken care of. We all of us, as a matter of fact, in engaging servants, are not thinking of the mischief they may do to other people, but of the mischief that they may do to the property which we entrust to them.

888. Do you think that there is any reason why railway companies, not being liable for accident, or injuries to the persons in their employ, should be placed upon a different footing from other employers of labour in this respect?—(Mr. Baron *Martin*). That is a question to which it is very difficult to give an answer. I recollect well the introduction of that doctrine, that railway companies were not responsible for injuries occurring to their servants in regard to accidents or misfortunes which occurred in the course of their service. It is now an incontrovertible principle of law, that a railway company or a master is not responsible for an injury which happens to one servant by reason of the negligence of another servant; it has been so decided in the House of Lords, and, therefore, we must take it as an incontrovertible principle of law. It has been in some way attempted to be broken in upon by a judgment of Lord Cranworth's, in the House of Lords, which goes to say that there is an obligation upon a company to employ, and to take care to have proper persons employed to superintend the performance of mining works. It was sought, the other day, to be applied to what I may call the case of an ordinary employment, but we rather set our faces against it, and proposed to carry into effect the law holding masters free from that species of action entirely. But I do not think that that is a question for me to answer; it is a question of general policy, and there is that established rule, as I have told you; it is one of those new rules of law which was not supposed to exist when I began. I recollect perfectly well the origin of it, and I think I know the history of it; but that it is established now nobody can doubt, and it is not to be altered except by an Act of Parliament, and I do not think you could alter it with regard to railway companies and not with regard to the community generally. (Mr. Baron *Bramwell.*) I understand the question to be whether there should be any difference between the liability of a railway company for the acts of its servants and that of any other employer of labour. I do not know why there should be; there is not any that I am aware of at present. If I let my carriage to a parson, and let my man to drive my pair of horses to-morrow, I must say

to him, "Mind, I am not going to be liable for my servant's negligence." Practically I can do that now, but practically the railway company cannot do it, and therefore to put them upon that footing would be to put them upon the footing of enabling them to make themselves not liable if they thought fit. If I let a carriage and a pair of horses and a driver, I may bargain that I shall not be liable for the misconduct of my servant; and so, if I am the owner of a stage-coach, and undertake to drive a man from here to Croydon, I may make that bargain; but a railway company cannot make that bargain practically. (Mr. Baron *Martin*.) I would like to observe upon that, that I do not see why that species of notice would not be got rid of in the same way as carriers' notices were got rid of. I daresay every gentleman is aware that few railway companies existed at all before the Act of 1 Will. 4, with regard to carriers, was passed. The carriers always gave notices; you always read in their offices, "Take notice; this company is not responsible beyond 5 *l.*," or something of that sort. The notice was absolute non-responsibility; and how the Courts got out of it, I do not know, but they did hold that that notice only protected the carrier against misfortunes which occurred when ordinary care was used. That is laid down in the Reports, and the consequence was, that the notice was of no avail. I fear that if you had a general enactment of that kind it would be got rid of in the same sort of way.

Sir Edward William Watkin, called in; and Examined.

889. *Chairman.*] You are Chairman of the South Eastern, and of the Manchester, Sheffield, and Lincolnshire Railway Companies, are you not?—Yes.

890. What length of experience have you had in railway management?—About 25 years.

891. What observations do you wish to make with regard to the law of compensation in respect of railway accidents?—I think, in the first place, it is impolitic in public interests.

892. On what grounds?—The first ground is, that no private person of fortune would provide a private railway; no landowner of fortune would ever think of owning a passenger railway through his own estate in his own name, because, he might be liable to the extent of all his fortune in case of a serious accident. Again, I think it has the effect of restricting the amount of low-class accommodation. Companies are naturally averse to extending the facilities given to the working classes, for instance, on the ground that the fares received are very small, and the risk is so excessively great. You may run a train for the working classes and get, say, 10 *l.* in fares, and you may be liable for 10,000 *l.* damages in consequence of giving this facility. In addition, it has the effect of entirely stopping the introduction of what I think would be a very important change in the interest of the public, and that is a system of assisting the circulation of labour. I think what we very much want in this country, both for the interests of labourers and capitalists, is a better means to labour to get to a market. You find now a man getting 15 *s.* a week in one county where there is no employment, while he could get 1 *l.* a week in another, 100 miles off, and plenty of employment all his time. The difficulty which prevents his access to a market is mainly the want of facilities and cheapness in travelling in search of work. The railway companies would be, I will not say insane, but extremely unwise, under the present law of compensation, to issue cheap tickets which would enable men to circulate, as it were, everywhere, which tickets, of course, must be issued to all people alike, really working men and non-working men, which, of course, would involve such an enormous amount of risk as would extinguish all profit, if there were any, in carrying out the operation. I think that in these three points of view, and there are others which might be mentioned, it is exceedingly impolitic.

893. Do you think that it has any demoralising effect?—I think that the demoralising effect is seen in the sort of evidence that you get. You go into a court of justice, and you have two distinguished medical men, each on oath, saying exactly contrary things with regard to the same symptoms; and you find growing up all around a number of railway accidents' attorneys, and railway accidents' doctors, and railway accidents' engineers, people who are ready to come and give professional evidence under entire protection, and to swear exactly opposite things upon the same state of facts. I think, when you have that temptation introduced into the middle class of society, it is highly demoralising as regards the middle class. Then, as regards the people at large, I am sorry to believe that, as a result, it is not considered a very dishonourable thing to get the better of a railway company, provided you have the protection of a judge and jury. A man would think it very dishonourable, in buying from you a horse, to cheat you out of 500 *l.*, or to get the weather-gauge of you to the extent of 500 *l.*; but he would not think it very dishonourable to receive, if a judge and jury gave it him, 500 *l.* compensation where the damages might not be 5 *l.*

894. Can you mention any cases in illustration of what you have stated?—I have several cases which will illustrate two or three phases of our liability, such as excessive amount of damages, others as evidence of personal fraud and exaggeration, and others showing the very long interval of time after accidents at which claims have been made, when, in point of fact, it is almost impossible to detect them. It is difficult to mention cases without mentioning the names in such a way that the individuals may be identified; but as the South Eastern Company has been mentioned, I will give a case which occurred on the South Eastern Railway. I may say that this is the case of an accident which arose upon a portion of the line where the block system was in operation. It was a case, if I remember correctly, of collision, where a portion of the train, the leading part of it, went through a tunnel and left two or three of the hinder waggons in the middle of the tunnel. The man who saw the train come through, as he believed the whole train, signalled to the man at the other end of the tunnel that the tunnel was clear, and a passenger train ran into two or three of those waggons which had been so left. That, of course, was an accident over which, one would think, you had no control. In this case several passengers were injured; and amongst others, a gentleman who was employed in a Government office. This

Sir *E. W. Watkin.*

20 June 1870.

gentleman, at first supposed uninjured, was reported to have sustained injury to the head, and concussion. He was lodged at an hotel, where he remained for some months under the care of several eminent surgeons. Every reasonable overture was made by the company, so soon as circumstances permitted, with the view of compensating him; but it was evident to the representatives of the company that nothing but an appeal to law would induce a settlement; and failing every friendly negotiation, the company had to submit to an action, by reason of the exorbitant pretensions of the claimant. The case was tried at the Spring Assizes 1865, where it was contended that the plaintiff had received great and permanent injuries, and his mental powers were so destroyed that he never would be able to resume his former occupation, or the literary avocations which he followed for obtaining his livelihood. The jury, upon the representations on the plaintiff's side, notwithstanding the counter evidence and testimony of the witnesses for the defence, awarded 5,550*l.* damages, imposing upon the company, including expenses and costs, 6,284*l.* 10*s.* 5*d.* Shortly after the verdict the claimant served notice upon the company to restrain them from paying the money over to his attorneys. The company demurred, besides, as to payment at all to the claimant, on the ground that, if the finding of the jury were correct, he could not give a legal discharge; but however, under a judge's order, the money was ultimately paid. It was reported, after a short while, that this gentleman was believed to have quite recovered from the effects of the accident, and, in fact, was sufficiently restored to be able to resume his usual avocations; and upon the inquiries made by the company they found the rumour thoroughly confirmed. He was found to have married, and after a lapse of about 18 months, gone back to his employment in one of the Government offices, where he appears to be employed at the present time. The claimant published a book with which he had occupied himself, a work apparently incompatible with the alleged diseased brain and weak intellect. The verdict of the jury, based as it was upon the alleged permanent and irretrievable injury asserted by the claimant and his witnesses, was evidently excessive, and could not have been obtained but for the imposition, exaggeration, and (to the defendants apparently) feigned symptoms exhibited by the claimant who, from circumstances, it is fair to suppose, was versed in the theory of concussions and their possible effects, and therefore understood so thoroughly the simulation of them as to deceive the judgment of medical men of the highest order in the profession and of unquestionable integrity in every way. That is a case where the man probably paid to the railway company about a couple of shillings or half-a-crown for his fare, and where the company had to pay 5,550*l.* to him, and 700*l.* more in costs. Not to weary the Committee, I could give them one or two cases on the Manchester, Sheffield, and Lincolnshire Railway. There was a German musician who held a second-class pass to go on to Worksop when the Prince of Wales came to Worksop in 1861. He paid no fare, but I believe his music was gratis and therefore he got his pass. In that case there was a slight collision and he got some small abrasion under the right eye; he claimed 1,000*l.* and got 800*l.*, and in a couple of months was playing again just as well as ever in Mr. Hallé's band. Then there was another case of a man, a small builder, who recovered 1,250*l.* for a very slight damage, who paid the company only 1*s.* 1*d.* for his fare. In the case of a governess there was an alleged injury to her shoulder; she recovered 1,100*l.*; she had paid to the company for travelling between Doncaster and Thorne 1*s.* 4*d.*, and she was happily married very soon afterwards, in consideration of her compensation and her personal charms. Then we had a case of a man who got a slight injury and who lay down on the platform and declared that his spine was injured, and he would not get up. He had to be carried. He lay on his back for months; he was watched, but not detected. He claimed a very considerable sum and, although every attempt at reduction was made, the attempt failed and the case went into court. The company were, of course, obliged to admit some negligence, and, of course, admitting anything means admitting everything, and the man got 1,050*l.* awarded by the jury, but within a very short time that man was fighting a battle in the streets of Sheffield; his solicitor was the solicitor of Broadhead. These are some specimens of the sort of imposition which we have to suffer. With regard to the question of claims coming in long after an accident, when you have great difficulty in tracing them, there is a case now on the Manchester, Sheffield, and Lincolnshire, and the Great Northern lines, of a very serious character indeed. In October 1868 there was a slight collision at Sheffield. The Great Northern express came out of the station; whether the signal was on or whether the signal was off, is a question that never was fairly cleared up; my own notion is that the evening sun was in the eyes of the driver; that the signal was on and he did not see it, and he ran very slightly into a coal waggon which was just being shunted across the line. It was a very small thing indeed; two people, I think, made claims of a few shillings and a few pounds respectively, and that settled the whole matter. But a couple of months ago the company received a letter of six pages from the solicitors of a gentleman who called himself an engineer; it is a very long account that he gave. The statement was that, in this accident his hat was driven down upon the bridge of his nose, that it abraded the skin; that this slight wound turned into an ulcer, and that the ulcer at last took the form of a permanent cancer; that he had to consult Dr. Nelaton in Paris, and further, a doctor in Rome, Dr. Mazzoni, I think his name is, and had to undergo an operrtion, and he now claims 5,000*l.* The company have no means whatever of telling whether this gentleman was in the train or not; the probability is that he was; but after a year and nine months, he has claimed 5,000*l.*, and we have been obliged to send, at very great expense, official persons over to Rome to see Dr. Mazzoni, and official persons to Paris to see Dr. Nelaton, who, I suppose, will not give an opinion for nothing; and we are under a liability for that 5,000*l.*

895. Mr. *Price.*] That case is not tried yet, I presume?—No, it is not tried yet. Speaking in general terms, I find that, in those cases the costs paid by the companies is about 20 per cent. upon the amount of compensation; that is to say, if a man recovers 1,000*l.* the railway company have 200*l.* to pay for costs, and that 200*l.* divides itself thus: about 12*s.* 6*d.* in the pound to the lawyer, and about 7*s.* 6*d.* in the pound to the medical

medical parties concerned; and I believe that is about the relative rate of interest which the two professions have in the continuance of the system.

896. Mr. *Sherriff.*] You mean that those gentlemen's expenses amount to 20 per cent.?—Yes, they amount to 20 per cent. Of course that does not include the amount which the successful claimant has to pay, in addition, to his own professional man, which is sometimes another 20 per cent. I should not at all wonder that the amount paid by both parties, plus the actual damages, may be at least 30 per cent. So that there is growing up in the country a distinct class of persons who have an interest in keeping things as they are.

897. *Chairman.*] What should you say as to the tribunal; do you think that the cases should be tried by a jury, or by some other form of investigation?—Of course all juries are assumed, like gentlemen on committees, to have no interest in the case: but a jury has a very large interest. They are all railway travellers, and are all interested in damages in cases of accidents, and very naturally they must have a sympathy, not with the railway companies, but with travellers. My own view is that I would rather see the cases tried before a judge, because where you have a case tried before a judge, you know that you are having it tried by a man of the highest experience and the most undoubted position. I would rather see that, than before a county court judge, myself.

898. You would not like it to be tried before one of the county court judges?—I think I would rather have the cases tried by a judge without a jury. It is so in France and Prussia, and I think almost all over the continent the judge decides it.

899. What do you think as to the suggestion which has been made, that there should be a commission to try all the compensation cases arising out of any one accident?—I do not see any reason why cases arising out of the same accident should not be tried before the same judge, or why all those things, which must be proved separately in every one of 50 or 60 cases, should not be proved once for all, and be taken by commission and laid before the judge.

900. Mr. *Sheriff.*] That would only apply to a very severe accident, such as the Brighton accident; it would not apply to cases where only one or two were hurt: the utility of it would be best shown in large accidents, where a great many people suffer?—Of course, if only one person was injured there would be no utility in it; but where you have, as in the Brighton case, say, 150 or 200 cases of alleged injury, or of real injury, clearly it would be more convenient to have the facts of the accident, and the causes, and all those things, which have to be separately proved in each case, proved once for all at one place.

901. *Chairman.*] Do you think that there should be a limit of time in respect of actions for damages?—Yes. I have given a case where between a year and a half and two years after the alleged accident a claim of 5,000 *l.* is made. Supposing it was a small railway company, with a capital of about 50,000 *l.* or 60,000 *l.*, how could they make up their dividend if they are liable to have those claims such a long time after they have made up their accounts.

902. Do you concur with the other gentlemen on behalf of the railway companies, in suggesting a limit to the liability of companies?—I think that the position of railway companies is this; it is always said that railway companies want to be in a different position to all other interests carrying passengers; but it should be borne in mind that the railway interest is the only industrial interest in whose case liberty of contract is absolutely suspended. You will say, well, it is the same with omnibuses, and the same with cabs; but no, it is not. An omnibus is not obliged to go on carrying everyone for all time to come, nor is a cabman, but a railway is. You are not only bound to carry, but you are bound to carry for the same fare, people of all ages and in every stage of health, and difference in the number of their family, and different positions, and to carry every variety of risk, for the same price. You are obliged to do it and to go on doing it.

903. Their fares are, generally speaking, are they not, below the limits which the Acts of Parliament enact?—Sometimes they are and sometimes not. Take, for instance, the 4 *s.* 6 *d.* train down to Margate; we will say that four persons present themselves, one a working man getting 1 *l.* a week, without family, and in perfect health; another person so ill that if you gave him a good shake, he would give up the ghost; another person with 10,000 *l.* a year, and a large family; and another, some widow or widower, with a great many children, in very poor circumstances. Here in every case, the risk is totally different, and the difference in the risk represented in figures would probable be as 1 to 10,000. We are compelled to carry each of those, and at the same price; and I am certain that if each of those classes were to apply for a ticket, and were refused, they would bring an action against us, and it would be decided that we were compelled to carry them. Therefore, really, in our case the right of making a voluntary contract is entirely suspended. Under those circumstances you must either do as the learned Baron suggested; you must either assume that there is no compensation without insurance, and then permit or compel insurance, or you must limit the liability. I have been a great deal in America, and in many of the States of America the liability is looked upon as so injurious in the public interests that the liability is limited; the English law with limited liability.

904. Can you tell the amount of the liability in New York?—I can only tell you of the law in Massachusetts of my own knowledge, and there it is 5,000 dollars. That is the extent of compensation which any individual can get; it is the English law, with a proviso that, "Provided such amount of damage so recoverable shall not exceed the sum of 5,000 dollars."

905. That is whether the company is guilty of negligence or not?—It is assumed that negligence can be proved, and that there is no question.

906. Suppose that they admitted negligence?—It is just the same.

907. Sir *H. Selwyn-Ibbetson.*] Does that apply to all classes of passengers?—Yes; to all classes of the same amount. I should be in favour of taking a limited sum for all classes. I do not believe in a discriminating limit, although I quite admit that you can argue for it, upon the ground that

Sir *E. W. Watkin.*

20 June 1870.

the poor man pays 1 *d.*, and the rich man pays you 3 *d.*

908. Mr. *H. Palmer.*] There is no distinction of classes upon the American lines, is there?—They are getting a distinction now that they are beginning to be more luxurious; but it was not so before, except with regard to negroes; there was a negro car, but there was practically no distinction of class. But I am opposed to making an invidious distinction between rich and poor in the limitation.

909. *Chairman.*] There is no provision for compulsory insurance, is there?—None whatever.

910. Does it work with satisfaction, as far as you know, in Massachusetts?—Yes, I apprehend so, the Americans are a sensible people. They say, if you will make an industry so risky and so dangerous that people are not disposed to enter into it, the great bulk of the public who want it suffer. I am bound to tell the Committee that the public of England, especially the working man, is suffering now by those anomalies which press upon anybody who goes out of the ordinary line in order to give extensive cheap accommodation.

911. Practically, there is no difficulty, is there, in working accommodation of that kind?—Not the slightest.

912. Do you wish to say anything upon the block system on the South Eastern line?—I may say that we have the block system upon the South Eastern line, and it works very successfully; in point of fact, I think the South Eastern Company introduced the system generally before there was any recommendation from the Board of Trade. I should certainly say that an interval of space must be always better than an interval of time, with regard to the system of signals, but, at the same time, the Committee will no doubt have learnt already (I mentioned the case myself) that a new class of accidents is brought about by the operation of the block system. The case I mentioned is where the tunnel is signalled clear, and the goods train has actually passed out, but the train has dropped its hinder end in the tunnel, and it is left there, and the next train is sent into the tunnel, the man believing that all is right, and he runs into it. Of course that may be so, and in addition you may find when you stop a goods train on an incline, by stopping it and starting it again you may break the coupling, or get into some difficulty, and therefore the Committee must not think, though I should advocate the block system as a rule, that it is infallible, or that I should recommend its compulsory adoption. I think the best course in the interests of the public is to leave the responsibility upon the railway companies.

913. Is the additional expense material?—Yes, there is considerable additional expense. You must have on a line like the South Eastern, between each station, a telegraph system, with a man night and day, and therefore the Committee will see that there is, first of all, the expense of the telegraph itself, there is then the expense of the box for the man, and then there are two men, one by night and one by day, or in crowded places you must have three, because a man's attention will not last 12 hours with such a duty, with a great number of trains, and if you multiply it by the number of stations on the line, you will see that it is very large; still I do not think that the mere matter of expense should influence us at all; we should do all that is possible to secure safety.

914. On the whole, you think that the matter should be left to each railway company to judge for itself?—I think so; but at the same time I should say very strongly, that upon a crowded line, if I were the manager of it, I should use the block system.

915. What do you think is the great cause of accident?—The cause is getting less and less, I hope; but many of the accidents that we have had have been from the poverty of the companies, simply. I think that what Parliament has chosen to call competition, which means having two poor and incapable railways, instead of one moderately prosperous and good one, has led to a great many accidents; and apart from that, of course I need not suggest to the Committee that as regards material machines we can control them, but when we come to the human machine, all that we can do is to make the best selection in our power. It is obvious that we cannot expect infallibility from men at 18 *s.* a week, or at any wages that you will pay. The law of Lord Campbell assumes that every man is infallible, that he is always awake, that he is always sober, that he always has his wits about him, and that he always has courage. That is impossible; and as it is impossible from the very nature of human nature, clearly you must have some accidents. Then I think that the only thing to do is to exercise the greatest care in selecting your men, to pay them well, not to over work them, and do what an ordinary employer of labour does, get the best class of labour and enforce strict discipline.

916. Sir *H. Selwyn-Ibbetson.*] Have you any return of the number of accidents that have happened on the South Eastern Railway during the last few years?—No; I have not it with me here.

917. I see by the Government report that there are only three accidents mentioned against the South Eastern Railway in the last two years, 1868 and 1869; in both those years the line had been worked under the block system, had it not?—Yes; and so it was before that. The main line has been worked for many years on the block system.

918. Did the accident which you mentioned happen within the last two years?—No; in 1864.

919. Under the block system, by preserving a space between the trains, you absolutely protect them between the stations?—Yes, assuming the machine to act, you do, certainly.

920. Of course an accident arising from a defect in the machinery of trains, would be the same under the block system?—Yes, it would.

921. At stations where the block system is at work, I suppose you could entirely protect the trains if shunting and other work is not done while the station is under block?—You can; but things of this kind happen in this way. I daresay many members of the Committee will remember the great fog two or three years ago, when everything was shut up except the railway from Charing Cross to Cannon-street. I may say that on the South Eastern Line, on the Metropolitan part of it, we have got something in addition to the block; we have a telegraphic system under which the preceding station telegraphs to the next (and when I say station I mean a signal station) to say what train it is that has left, whether

whether it is a passenger train, or a goods train, or a ballast engine, or what it is. In the case in question, of course it was so dark that you could hardly see you hand before you, and though there are lamps of gas in the signal box, the signal boy, who had to do those telegraphs, omitted to report the passage out of the South Western Line, I think it was, of an engine. By some misunderstanding of that sort, a train was signalled that all was right when something was all wrong, and we had a collision in consequence of the failure, under those circumstances, of the mode of working to act.

922. But that is no evidence against the block system, because it might have happened with any other system of working?—I think it would be, because under the other system in that case the engine driver would have looked out with more care, and perhaps the collision would not have happened.

923. I understand you to say that the collision was on the occasion of a very dense fog?—Yes.

924. Therefore you think that under those circumstances greater care would have been used by the servants of the company than under the block system?—For this reason: the engine driver got, of course, an affirmative signal; the block system assumes that you get an affirmative signal, which is an order to go on; if he had not had an order to go on, he would have looked out; he would not have believed that all was right; he would not have taken anything for granted.

925. Do you mean that the engine driver, in the case of the fog that you speak of, would not consider that he is obliged to use some extra caution?—When he got an affirmative signal, he would assume of course that the road was clear. I would not say anything against the block system, but I want the Committee fairly to see that, although it brings a great deal of safety, it brings some danger also.

926. Practically, you believe that it does secure a very far greater amount of safety to the public in the working of a railway than the present system?—On a crowded system, I do.

927. Do you find any difficulty in working it on the whole length of your line?—No, it is simply a matter of expense and delay.

928. Is there no greater difficulty where the stations are a short distance apart, than where you have long distances to travel?—It of course reduces the power of passing a number of trains to a certain extent; it limits the useability, if I may coin a word, of the railway to a certain extent.

929. At the same time, I suppose, in limiting the number of trains, it ensures the safety of the public very greatly by that fact?—Yes, as regards collision, certainly; no trains, no accidents, of course.

930. It does away with the possibility of running, as some companies do at the present moment, trains within a few minutes of each other?—The block system does; but on the Metropolitan Line under the block system, you can run trains within three minutes of each other. I consider the Metropolitan to be the most successful illustration of the working of the block system, and I know that there you can run a train within three minutes; sometimes you have to wait a moment or two.

931. That is in consequence of the shortness of their stations?—Yes, that is in consequence of the shortness of their stations.

932. That would be impossible, of course, in long distances?—In the case of the block system upon a line, say, where there were stations every 10 miles, you would either have to have a block intermediate, or not have it at all, because you would have trains 10 miles off each other waiting, and that would be absurd.

933. Mr. *Winn.*] How long after an accident has happened do you think, that the possibility of claiming damages should cease?—I would not limit the time for claiming damages, but I would enact that the party alleged to be injured should give notice within a fortnight, or some reasonable time, of the accident, that he was in a certain train, so that we can identify him, and see that he really was injured, and examine him immediately after the accident. I would not at all limit the time within which he might bring his action, but I would not allow him to bring his action, unless he had given notice within a reasonable period.

934. It has been given in evidence before this Committee that in some cases of nervous shocks, the damage did not appear till a considerable time after the accident had happened; what is your opinion upon that point?—I think there may be some cases, but I confess, speaking with all impartiality, that I look upon them with considerable suspicion when the damage appears at so late a time; but my proposal would not interfere with that at all. I would let a man have his full six or seven years, whatever is the present period, but I would compel him within a given number of weeks or days of the occurrence of the accident, to give notice that he was in the accident, in order that you may identify him, and ascertain the fact that he was in the accident, and that you may see the first effects of the accident upon him.

935. I think you agreed with what was said by one of the learned judges just now, that he thought it would be desirable, if possible, that the whole of the damages, as I understood, which had happened in an accident, should be tried at the same time?—Yes; or the facts ascertained once for all.

936. But the damage done to any individual might manifest itself a long time after, and you would have to keep all the other people waiting, would you not, till some certain time had elapsed?—No; I do not propose that all the cases should be tried together, but that the facts of the accident, the causes, and all those things, which have to be proved, if there are 100 cases of damage, 100 times over should be proved once for all, and that the report should be simply put in; and then, if possible, I would try all the cases before the same judge. How far that might be possible, as a matter of the judge's time, I do not know.

937. In case the liability of railway companies to pay heavy damages were removed, in what way would it affect the fares of passengers?—I do not know that it would affect the fares at all, excepting to this extent: take the case of the South Eastern Railway; some two years ago, rather from motives of benevolence than motives of profit, in order to assist those people from Deptford and Woolwich, and down the river, where the iron ships used to be built, and where trade has been so bad, we put on a work-

Sir *E. W. Watkin.*

20 June 1870.

man's train, at a fare of 2*d.*, from any station to Plumstead, which, I think, is 12 or 13 miles from London, so that a working man could go up and down, and we give him a choice of trains to return by for 2*s.* a week; 2*s.* a week is about the sum representing the difference of rent and taxes between a hole in London and a cottage in the country. We carry a very large number of people by that train, and hitherto we have never had an accident; but if we had an accident, we might lose more money in one accident than we should get by running it on for 20 years. Our proprietors do not get a very large dividend; and I have had a number of letters from them, saying you are carrying a sort of gunpowder, and I am under a pledge that, if we do not get a similar limitation of liability to that which the London, Chatham, and Dover, the Great Eastern, and the Metropolitan Companies have got with regard to carrying workmen, we must take the trains off, and we shall be obliged to take the trains off. I believe that, if the liability was less, we should run a great many more of those trains which we do not run now, for fear of the liability; and that some of the fares no doubt would be reduced in consequence. I am most anxious myself to see a system of fares established under which workmen may circulate all over England in search of employment. It is one of the most important questions with regard to the working classes, but nobody will dream of doing such a thing under the present law of compensation. So that in effect, what I expect from the taking off of this unreasonable and unfair liability, which attaches solely to railway companies, is, that the working public will get the benefit in lower fares and greater facilities.

938. Do you know at all what proportion the annual payment made for damages bears to the net proceeds of the company?—I have got a statement from the Manchester, Sheffield, and Lincolnshire Company, and I see that the passenger traffic is about 400,000 *l.* a year. I see that in three years the amount of compensation has been 27,200 *l.*, exclusive of expenses, and if you put on 20 per cent., that would be about 33,000 *l.* or 34,000 *l.*; but that line, as the honourable Member knows, has not a very great number of fast trains upon it; the trains are worked mainly at slow speeds; it is more a goods and mineral line than a passenger line, and therefore it would hardly be a fair criterion. In that case, assuming the traffic to have been 400,000 *l.* a year for three years, it is about 2½ per cent.; it is 10,000 *l.* upon 400,000 *l.*

939. Is not the tendency of your being liable to pay heavy damages to make companies more particular about the persons that they employ, and the means taken to prevent accidents?—I will not at all contend that it may not have some effect, but you must bear in mind that the risk is reduced to two risks; one is the personal risk to the company's servants, and the other is the pecuniary risk to the company. Really the people who have the lives of the passengers in their hands mainly are the company's servants, who are risking their own lives, and I do not know what greater security you can have for caution than that, the stake of the men's own lives. Then with regard to the companies, clearly it is their interest as well as their duty (and I beg to think that railway directors do try to do their duty) to work the line safely and without interruption. I believe that if you were to double the present amount of compensation, it would not increase the desire of the companies to carry people safely; and when you come to consider really what are the causes of accidents, if I am not wearying the Committee, I would just like to ask them to consider how many of those accidents occur from causes over which all the management in the world can have no control. I will take the accident which Mr. Baron Martin mentioned, the Staplehurst accident of 1865, on the South Eastern Railway, since which there has been no fatal accident of the kind on that railway. That was an accident to a tidal train; the tidal train has carried from its beginning up to now over 1,000,000 passengers, and there never was an accident of any kind to that train till the Staplehurst accident, and there never has been an accident since. The road is specially kept clear for it, because of course it runs at irregular times and runs at great speed. There is a special time table for it; every station has a copy of the time table, and every person employed upon the line has a copy also, and special instructions with reference to it; in fact, the road had been made so safe that I dare say the driver, the fireman, and everybody else on the train never anticipated danger, and had no vestige of that fear of impending danger, which may make men sometimes more cautious. The accident arose in this way; they were repairing a bridge and had taken out the central girder of the bridge in front of this train; the foreman over the persons engaged in the work was a very intelligent man, who had been a long time with the company and was perfectly competent. The time table is here, which gives the time for Thursday, Friday, and Saturday; on Thursday the time was 3.19, on Friday 3.19, and on Saturday 5.24. The man knew that the train on the Thursday had passed at 3.19; he looked at his time table and he found the next day 3.19; then he assumed that the last 3.19 that he saw was the 3.19 of the day before, and that the train that day would be at 5.24; he assumed, therefore, that he had to look out for the tidal train, not at 3.19, but at 5.24; therefore he took the girder out within a moment almost of the train coming in sight. It is true that he sent a man back 1,000 yards with a flag. Whether the man fell asleep, or whether he did not show his flag properly, or whether the engine-driver was not looking out, we cannot tell, but every precaution that the company could take was taken; but from the mere mistake of this man in forgetting that the train started at the same time two days together, that accident, with its compensation of 80,000 *l.*, occurred. I want to know whether any fear of compensation in that case could have made the company more careful than they were.

940. Was the block system in force at that time?—Yes, certainly.

941. This is quite an exceptional case, is it not; it would not happen on any ordinary line?—It may happen to any line.

942. Surely a tidal train does not run on most lines?—No, but trains run at irregular times on all lines; special trains of all kinds. Anybody who wants a special train on any line always gets one if there is no particular impediment.

943. There is nothing to connect this accident with the block system in any way?—Not at all, except this, that if I were disposed to argue against

against the block system, which I am not, I might add that this man got a signal when he passed the Ashford station, that all was right at Staplehurst, and that there was no train in the way. If he had not got that signal, if he had seen the green flag, showing that something might be in the way, he might have gone slowly, but he went on, believing that all was safe.

944. Sir *H. Selwin-Ibbetson.*] The signal that went back was not observed?—No; but with regard to a temporary signal used for a temporary affair of that kind instead of the block system, that is, if we take a rail out or a sleeper, we always send a man backwards.

945. Mr. *Winn.*] The block system would only be as between station and station?—Yes, only between station and station.

946. Mr. *Davison.*] The Sheffield total earnings, I think you said, were 400,000 *l.*?—The gross earnings for passengers; I am speaking from memory.

947. You said that you paid 27,000 *l.* for accidents for three years; then that would be 9,000 *l.* for one year as against 400,000 *l.* gross?—Yes.

948. Do not you, as a matter of practice, always receive notice from persons who you find make claims against the company?—We very often do; but I have given a case where we have only received notice a year and a half, or two years afterwards.

949. That, of course, may occur, but as a rule you do receive notice?—As a rule, if we have an accident that is at all *èclatant,* we find some solicitor sends out circulars to everybody, and we have plenty of notices.

950. You have notices within a very short time indeed?—Yes.

951. Would you propose this; that you should be told by everybody who is in a train to which an accident occurred that they were in it, whether they are hurt or not?—Quite so.

952. Not that they should give you notice actually of the injury that they received, but simply that they should warn you that they had been in the train?—That is all.

953. You would not, in any way, limit the time in which they could bring their action?—No, I think it would be unfair to do so. I do not think we should try to take away any of their common law rights, or law rights of any sort, or whatever they might be.

954. Mr. *Denison.*] The block system would not be any real protection against, for instance, a mischievous person laying an obstruction on the line, or from the operations of workmen between station and station?—No, it would not, of course.

955. It is from such things that a great many accidents occur, is it not?—A great many.

956. Sir *H. Selwin-Ibbetson.*] I presume that upon any alteration in the working of the line, that is, upon the taking up of a sleeper or anything of that sort, you would control the line, and have that part blocked while the operation was going on, under the block system?—If it is a serious case of relaying, we stop one line absolutely, working the single line, so that the system is an absolute block system. If, on the other hand, it is a mere temporary repair, it is done between the trains, but notice is given to all parties concerned at each end, and a special man is sent out with a great red flag that goes across four or five feet, and that is kept up, so that the line is under control during the operation.

957. Under those circumstances, then, the driver would know that extreme caution was required, and therefore that does not quite apply, which the honourable Member wished to bring out, that this accident could not have been guarded against under the block system, whereas the line was best protected under the usual system?—In an ordinary case the driver, no doubt, is instructed to show extreme caution, and he gets the caution signal instead of the admitted all-right signal. I do not see how you can work it in any other way.

958. Mr. *Denison.*] Then the caution would be due to the flag system, and not to the block system?—Quite so. In the case of the block system there are cases where there may be danger, although there is a signal that all is right, as I mentioned just now about the accident in the tunnel, where a part of the train was left behind. There is nothing to prevent it; and on a dark night a train may be going along at a hard pace, something may tumble off upon the line, a goods train on the other line, which has lost a bale of goods, for instance, has passed, the signal given to both trains may be "all right," and the driver comes on with a confidence which a positive signal gives, therefore he may get into trouble which he might not have got into otherwise. But of course, like everything else, you cannot have absolute perfection.

959. But would not the legislative enforcement of the block system mainly have the effect of making engine drivers perhaps less cautious than they would otherwise be?—There is no doubt that is a difficulty, and the vice of an affirmative signal. If you tell a man that all is right, it is not in human nature that he should take the same caution as if he assumes that something may be wrong. With regard to enforcing it, I think Parliament would take from the railway companies a very grave responsibility if they enforced any particular system of working. Personally I should be rather glad if the public would take the responsibility, which is a very serious one, from railway directors; but I think it would be a very grave mistake.

960. Do you think that your old experienced engine drivers could give this Committee any useful information upon the point of the actual driving of trains and the working of signals?—I do not know that they would. They are under discipline, and they work to order; but we should be very glad to present any of them, if the Committee think that they would be of any use. You see that the driver must have properly very little opinion of his own; he must obey orders, and therefore I do not know that he would be a very useful witness upon management.

961. Mr. *C. Reed.*] In your opinion, this open liability stands in the way, does it not, of a material reduction of fares?—I do think so, to the poorer class of people.

962. Supposing that this was altered, upon the question of limited liability, the public might expect a considerable reduction?—I think so.

963. And the working classes especially, in the way you have indicated, in moving from place to place?—Yes; I will say the working classes solely, for I do not see that there is a case for a reduction to rich people. I want to see a reduction to the poor. I do not believe in reducing the fares to the rich at all.

Sir *E. W. Watkin.*

20 June 1870.

964. Strictly the railway companies have no greater grievance than the steamboat companies have, have they?—Yes, I think they have.

965. A steamboat company is liable, is it not, for damage done by concussions?—Yes.

966. A steamboat company has open competition, has it not?—Yes.

967. But a railway company has not the same class of competition?—No; I think, taking the case of the railway and the steamboats, say between London and Gravesend or Greenwich, the case is this: Supposing that the train from Charing Cross Station to Greenwich has had an accident in which 100 people, are injured, the company is liable, perhaps, for 10,000 *l.* or 20,000 *l.*, or it might be 50,000 *l.* in the case of a dinner of the Cabinet, or other great people. A steamboat goes to the same place, but they are only liable for the value of the ship and cargo; there is no question about the value of the passengers; the ship is worth about 3,000 *l.*, and the amount of liability is limited by the value of the ship. Those small boats on the river will carry quite as many passengers as we carry by a train, and they might injure 100 people and get off with 3,000 *l.* damages, whereas we should be saddled with 20,000 *l.* or 30,000 *l.*, or even 50,000 *l.*

968. Particularly there is a limit in the case of a steamboat?—Yes. Parliament has given the limit in the case of a ship, but has given no limit in the case of a railway competing with the ship.

969. In reference to injuries arising from an accident, is it not a fact that, in the case of injuries caused by concussions, the most serious symptoms often do not arise for many months after the accident?—Sometimes; but I say that I look at those cases with very great suspicion.

970. But, physically, is it not a fact that in the case of a concussion the symptoms of a spinal affection or a brain affection do not arise, so that no one could know them for a very long time?—I should think they are very rare cases. It is very frequently set up; and there is a Dr. Erichsen who has written a book upon railway spinal affections, but we look upon it as not well founded, to say the least of it.

971. Your object would be answered if you had the names of the persons who were travelling in the train?—The object of the limitation of time would be.

972. You could always obtain that after an accident through the companies' servants, could you not?—No; we never know the travellers. Supposing we take the continental train, in which there are 200 or 300 passengers, we might not know a single one.

973. Could you not, through the companies' servants, after the accident, obtain the names of all the travellers, without their having to give notice to you?—I think not. As soon as ever an accident happens, the people are very anxious to get away; there is always a great amount of confusion, and practically it is impossible to get the names and addresses of all the people.

974. Is it not a fact that many persons, in what may be called ordinary accidents, do suffer and make no claim on account of poverty or want of means?—I do not think so. I think that where people suffer, and where they come and make a claim, they are almost invariably settled with on fair terms. I think that the people who do not make claims are men like the late Mr. Dickens, who was in the Staplehurst accident, and whose letter I have now in my pocket; people of that class, who consider there is a certain amount of danger attending all travelling, and that they ought not to press an unjust law upon the companies.

975. You have spoken of workmen's trains and the facilities which you desire to give them, are you connected with the Great Eastern Railway Company?—I am a director of the Great Eastern.

976. There has been by that company a great displacement of poorer property in the districts passed by their line?—Yes, no doubt; and by all those metropolitan companies.

977. I have taken a note of the returns from the Great Eastern of the workmen's trains, and I find that from Poplar or from Stepney a man can only get in at a very early hour in the morning to his work from his residence in those places, and at rather high fares?—The workmen's trains on the Great Eastern, I fancy, will not really operate until the opening of the Metropolitan Extension. In the case of the Metropolitan Extension, there is an Act enabling them to extend their railway from Shoreditch to Liverpool-street in the city, under the obligation to run workmen's trains, with a restriction with regard to the amount of compensation.

978. You have referred to the train running from Plumstead in the morning; what time does it leave?—It leaves Plumstead at five in the morning, and gets to Charing Cross at a quarter before six, I think.

979. Is that the only train by which a working man can come to his work at eight o'clock?—No, there are many other trains; but he cannot come for 2 *d.*

980. That is the only train at a low fare by which he can come to his work; and supposing that his work required him in town at eight o'clock, he must come away at five o'clock in the morning to entitle him to that pass?—Yes; but from Plumstead to the stations nearer London, at all of which it stops, it gets later.

981. Therefore it is a very early hour for a man to take advantage of it to be at his work at eight o'clock?—Yes.

982. Greater facilities than that, in your judgment, would be desirable if you could take off this liability from the company?—If I saw my way to a reasonable number of passengers, I should be quite ready to put on a second train; at present we put on that train at five o'clock, because after we canvassed the district, we found that it would accommodate the greatest number of people.

983. Mr. *Sherriff.*] I understand you, on the whole, to say that the block system is a system which should be generally adopted on railways when the time comes, at which, in their own opinion, they should adopt it?—I think is should be adopted voluntarily upon all crowded railways, and gradually extended.

984. But there are, as I understand you, a certain class of accidents which the block system could not prevent, such as one carriage in a train being left behind by a bad coupling breaking in two, which neither the one station nor the other could know anything about, or the operations of repairing the line, which are not under the superintendence of either of the stations?—Exactly so.

985. Those accidents might occur whether the block system was in operation or not?—Of course, and

Sir *E. W. Watkin.*

20 June 1870.

and the block by its affirmative and assuring character must have a tendency, perhaps, to produce new, or at all events, to increase some old, classes of accidents.

986. But on the whole, you think the block system on crowded lines of railway is the best system that has yet been adopted?—I do; that is our experience.

987. As to the kind of workmen's trains which you have suggested to the Committee, as I understand, a kind of ticket would be given a man in search of employment, at a cheap rate of fare to districts where he thinks that employment could be got; haye you in you own mind developed that plan, so as to give a little more information about it to the Committee, or have you the acquiescence of other railway companies in such a plan, or their willingness to join in it?—No; I have no right to speak for any other railways. I know with regard to the two or three that I am connected with, we should be only too glad to devise a system which would enable men to search for employment, with much greater facilities than there are at present.

988. In case the Chamber of Commerce took up the question of the redundancy of labour in one place, and the paucity of labour in another place, and suppose they would give a certificate to a man to apply to a railway company, do you think that the railway companies would listen to any such suggestion as reducing the gross fare throughout the country?—I think that the railway companies would meet the question cheerfully, even although it would not be attended with any great profit, but what they dread is the liability.

989. Have you observed, as regards the machines used by railway companies, I mean the engines and carriages, that at the beginning of the railway system, very frequent actions arose from the failure of them, and that such failures have of late years been very few?—I think that we have now got an almost perfect mastery of the mere material elements, but the human nature element we never shall get the entire mastery of.

990. As regards the machines which you have to select and pay for, the accidents arising from the failure of such have of late years been reduced, have they not?—I know of but very few accidents arising from defective machinery. When I say defective machinery, I mean defects that might have been seen and guarded against.

991. Mr. *H. Palmer.*] You have spoke of workmen's trains, and that if there were some limit you would willingly carry workmen more than you do. Upon what principle would you put a limit upon railway companies?—Exactly upon the same principle as Parliament has put a limit in the case of steam-boats and other vessels.

992. Is it to be influenced by the number that you carry or the smallness of the fares?—It is of course, very difficult to give an answer which would be mathematically correct, but I think that we might agree upon a figure which would represent something like the average risk.

993. You do not think it right that there should be any distinction of classes as to the limit, but this is a special case that you are putting now of a distinction of class for working men?—The limit that Parliament has established in the three cases that I mentioned, namely, the Great Eastern, the Metropolitan, and the London, Chatham, and Dover, was 100 *l.* I think that evidence has been given before this Committee, recommending 500 *l.*, 300 *l.*, and 200 *l.* I should not at all myself object to making it 250 *l.* or 300 *l.* for everybody, working people or anyone.

994. You would not go so high as the American system?—Certainly not. I do not think that you would get anybody to carry a workman for 1 *d.* if you risk 1,000 *l.*; and there are no such fares in America.

995. You are influenced more by the numbers which you would carry than by the smallness of the fares which a third-class passenger pays; if an accident happened, there would be a great body of working people that would have claims?—There are a greater number involved of course. A low fare involves a large number; you would not have a low fare if there were not a large number, and it involves this, that first of all, if you do injure a man, you have to pay a high insurance for a very small premium, if you so speak of the fare; and secondly, you carry him upon the condition that you carry a vast number of people, and therefore an accident must injure a larger number than in the case of an ordinary first and second-class train.

996. Does it influence you at all in regard to excursion trains, in which large numbers are carried?—Yes, it does. I habitually set my face against and avoid excursion trains, entirely upon this ground of compensation; and I believe companies generally do.

Mr. Samuel Laing, called in; and Examined.

Mr. *S. Laing.*

997. *Chairman.*] You are the chairman, are you not, of the London, Brighton, and South Coast Railway Company?—I am.

998. You have had, no doubt, very considerable experience of the present law?—My attention has been drawn to it for a great many years, as having been formerly connected with the railway department of the Board of Trade, and chairman of railway companies, and especially of late by that New Cross accident on the Brighton Railway.

999. How long were you Vice-President of the Board of Trade?—I was first secretary to the railway department of the Board of Trade, and then railway commissioner under Lord Dalhousie.

1000. You have experience in the New Cross case specially?—Yes, that has directed my attention to it specially, for that is a very recent case, and one, on a very large scale, which illustrates the working of the present system.

1001. What was the broad inference which you drew from that case?—It impressed still more forcibly on my mind the excessive hardship to railway companies of the operation of the present law. It was a case, I may say, in which no blame was ever imputed to the railway company. An excursion train to the Crystal Palace Fête of the Licensed Victuallers was returning from the Crystal Palace at night; the tickets were being collected at the New Cross Station, and the train was protected by no

Mr. *S. Laing.*

20 June 1870.

less than three signals, one of them being a special signal, more than a mile up the New Cross incline, which had been erected in compliance with the special recommendation of the Board of Trade. There was a goods train following it from Forest Hill, which knew that the excursion train was before it; there was no particular hurry; the driver was an old experienced man, who had been 20 years in the service with a good character; but he ran past those three signals all against him, and ran into the train standing at the ticket platform with sufficient force to cause a concussion by which a large number of persons were injured. The result to the railway company was simply this: the total receipt from the passengers in the train was a little under 20 *l.*, and the total cost of the accident to the company will be something over 60,000 *l.* I should say, as nearly as I can ascertain, that it will be about 65,000 *l.*

1002. What were the number of claims for compensation?—There were about 360 claims for compensation; and I refer to that specially as an illustration of the working of the present system. The company made every effort possible to settle those claims out of court, because we know, as Mr. Baron Bramwell said to-day, that the feeling of jurors was such that, even if we had a good case, they would probably go against us, and, therefore, our instructions to all our officers and legal advisers were to settle at almost any cost out of court, and yet, notwithstanding that we have had 126 actions and law suits brought against us which we have been obliged to take into court.

1003. What was the amount in costs?—I should say that the amount in costs will come out to about the figure which Sir Edward Watkin stated, namely, about 20 per cent. of the whole amount, from 10,000 *l.* to 15,000 *l.* at least will be the amount of costs both sides; and they would have been much more in the case of the railway company, but that we have an arrangement with our lawyers by which they get so much by the year, and do not charge by the job, therefore our costs are materially diminished; the bulk of that amount would be the plaintiffs' costs.

1004. To what do you attribute the excessive amount of litigation?—I attribute the immense amount of litigation mainly to the nature of the tribunal. I think that a separate jury trial in each separate case involves so much uncertainty and holds out such a premium to litigation that it is amost impossible to get those cases settled. I find that practically it has the effect of calling into existence a class of professional men who make a trade of things, who go about after an accident touting for cases; and they get hold of a certain number of cases, and they know that under the present state of the law they are pretty safe of their costs, because the costs go against the railway company, if there is a verdict for the plaintiff at all, or up to 10*l.*; and therefore a man may claim 1,000 *l.*, or 5,000 *l.*, or any amount he likes, with the certainty that he will get the costs against the railway company, though only 10*l.* be given by the jury.

1005. Have you had any gross cases of fraud?—Yes, a good many have been detected; and we have had cases of personation. There was one case in which, after a verdict of between 200 *l.* and 300 *l.* had been given against us, one of the accomplices split, and we got evidence upon which we proved that the man was never in the train at all. There was another case in which a young woman who, although she had not been in the least injured, on coming home, was advised that she might make a good thing of it if she took to her bed, and she brought herself at last into such a condition that she was seriously ill. These are only two instances; our solicitors who defend the cases could give the Committee if they desired it, the minute details; I can only give the general result, that there was a large per-centage of downright fraud and personation, and a still larger per-centage of cases which were got up by professional men, and many extortionate and excessive claims were made and prosecuted no doubt with the hope of being paid the costs of the litigation.

1006. Do you concur in the recommendation of a fixed maximum liability unless the party is specially insured?—Yes, I concur in thinking that that is the best mode of cutting the knot of those difficulties, and I have always thought so myself. Mr. Baron Martin and Mr. Baron Bramwell stated that, according to their view of the law of the case, a railway company might refuse to carry passengers, unless under the condition of not being liable for compensation, but I think this would be so invidious, and there would be such a tendency on the part of judges and juries to stretch the law against that course of proceeding, that practically you can hardly look at it as possible: I should think myself that a very fair practical solution of the question would be to impose a certain moderate maximum amount of compensation as is proposed by the Bill of the associated railway companies, and then say that if the public want to be insured beyond that, facilities should be given them for doing so, but that they must pay an extra insurance.

1007. Do you know the American law?—No; I have no specific acquaintance with the American law.

1008. You heard Mr. Baron Bramwell and Mr. Baron Martin say that they had some doubts as to the wisdom of the railway companies accepting this maximum liability, but you as a railway chairman would be glad to do so?—I should certainly prefer a limited maximum; it is clear to me that if a maximum is given for an extreme case, that of death or permanent injury, any proper tribunal to which the case could be referred, would not give the whole amount in the case of a very minor or partial injury; but I should observe that in my opinion a great deal more depends upon the nature of the tribunal than even upon the limitation of the amount.

1009. What should you say as to the suggestion which has been made, that the whole case should be referred to a commission or an arbitration in the case of any one accident, who should hear all the cases and decide upon them?—That I have always advocated as by far the most effectual remedy for the grievances under which the railway companies are suffering. I quite go with Mr. Baron Bramwell when he says that we are not afraid of honest claims, but it is the dishonest claims we dread. I think that by having a number of separate juries it is a premium almost upon fraud. A man goes in for a sort of lottery ticket, with the chances in his favour, and in addition he is certain to get his costs allowed; and if he gets a clever advocate, who makes a moving tale to the jury, he will get the full amount. If you had the same tribunal,

a sort

a sort of permanent commission or arbitrators, who were always selected to try this class of cases, it would be a very great protection against that sort of thing. For instance, a professional man may take a case up, and going to separate juries one doctor or one professional man is almost as good as another; but if we had had in this New Cross case a permanent tribunal, the same tribunal to try all the cases, and they had found, after they had had experience of the first dozen or so, that certain professional men were always coming in claiming extravagant damages and setting up absurd cases, it would have had a very great effect in deterring them from doing so in the remaining cases.

1010. Do you think that the nature of the risk that the railway companies are now under materially affects them in the determination of running cheap trains?—I have not the least doubt as to the effect of the present law adversely to the public in making railway companies very often keep up the fares. Practical illustration is always much better than argument. In the case of the New Cross accident, which cost, say, 65,000 *l.*, the Brighton Company being, unfortunately, in that position that about 35,000 *l.*, was all that was over for dividend to the ordinary shareholders last year, if they had not had that New Cross accident the company would have been in the position of paying, although a small, yet still an improving dividend. There are many experiments in the way of reduction of fares to the public which I, and the directors, and the general manager, are anxious to try; reductions of day tickets, reductions of annual tickets, and running cheap trains for the working classes, but I am positively afraid to try them when I feel that we have only a slender margin of some 35,000 *l.* a year between us, and not being able to pay our preference shareholders; and one does not like to take the responsibility of trying experiments with fares which, even in the first instance, for a single six months, might sweep away the small margin left us for dividends. I do not hesitate to say that if, instead of 65,000 *l.* we had had this maximum limit, and had only had to pay about 10,000 *l.* for the New Cross accident, at this moment a large number of passengers on the Brighton Railway would have been travelling at cheaper fares than they are now travelling at.

1011. Sir *H. Selwin-Ibbetson.*] I presume that you can speak as to the mode of conducting the traffic on the London and Brighton line?—Yes.

1012. Are you not working it upon the block system?—It is worked on the block system.

1013. On the absolute block system?—Nearly the whole system is now worked on the absolute block system, and we are extending it as fast as we can get the wires laid down.

1014. And was it adopted subsequent to the New Cross accident?—Before the New Cross accident it was worked upon what they call the partial block system.

1015. I see in the report of the Inspector of the Board of Trade that he recommends the block system to be adopted, and rather finds fault with the partial system that you have mentioned in the working of the line?—The partial system was this: that a train was not allowed to leave a station until you had it telegraphed from the preceding station that the preceding train had got safely in, and was protected by signals.

1016. But since that the block system has been adopted?—We carry it a step further now, and adopt what is called the absolute block system.

1017. And do you really think that it gives you greater permanent security against collisions and accidents?—I certainly think so, and it is proved by our having adopted it. I think that the block system has every advantage, except that in certain cases, perhaps, it may tend to oblige you to run your trains rather more slowly, and to be a little behind time.

1018. Have you a code of rules for your servants on the Brighton line?—Yes.

1019. How do you enforce those rules; are there any punishments attaching to the breach of them?—Yes; of course, in the case of an infraction of any of our rules, we should enforce them according to the nature of the case and the gravity of the case. In at all a grave case affecting the public safety, we should enforce them by dismissal.

1020. Then any such accident as that at New Cross shows that the servants of the company did neglect the signals which they ought to have seen?—Yes, no doubt.

1021. Was any notice taken of it?—We dismissed the driver and guard, and we considered very seriously whether the men could be indicted for manslaughter; but the tendency of juries is so universal not to convict a man of manslaughter upon mere negligence, even culpable negligence, that we felt there was no likelihood of obtaining a conviction for manslaughter, and we inflicted therefore the heaviest punishment in our power, namely, dismissal from our service.

1022. Improvements in the working of the line and in the machinery have been constantly recommended in the reports of the Inspector of the Board of Trade, have there not?—Yes, they have been frequently recommended.

1023. Do you think that the directors are altogether unprejudiced with regard to the idea that the Board of Trade should have no further authority than they have at present, namely, that of merely recommending, and that the directors of the different lines should be the only people to put in force any of the alterations that are constantly recommended for the public safety?—I think that possibly there may be a certain amount of prejudice, and I do not know that I quite agree with all my railway brethren in that respect. Having been at the Board of Trade myself, I am not at all afraid of the Board of Trade ordering anything unreasonable or wrong.

1024. Directors are often led, are they not, from a wish to consider their dividends, to economise in the way of adopting new inventions that would secure greater safety to the public?—I should rather doubt that. I should doubt, if a thing were clearly proved to their mind as necessary for safety, whether any managers or any board of directors would take the responsibility of declining to adopt it. It would be contrary to my experience. But I think there may be in some railway minds a certain amount of prejudice against the directions of the Board of Trade. They do not like to be interfered with. They say, these are a sort of amateur suggestions, throwing the responsibility upon us if we do not adopt them, but made by men who are not responsible themselves for the working of the line.

Mr. *S. Laing.*

20 June 1870.

1025. In a company that is not in a very flourishing condition with regard to dividends, do you not think that another authority, such as the Board of Trade, would be useful to step in on the part of the public to enforce improvements that have been constantly recommended as likely to prevent accidents?—In the case of the Brighton Railway, the poverty of the company did not for a moment stand in the way of the adoption of the block system, when we brought our minds to see that it might be conducive to safety. But I should say that I am not the least afraid myself of the recommendations of the Board of Trade. I should not at all mind giving the Board of Trade a positive authority to order any improvement. The only thing that I am afraid of would be the division of responsibility in that case, and whether the public might not lose by there being a divided responsibility.

1026. Would you see any objection to the Board of Trade having power given to it, in the case of alterations thus constantly recommended as likely to conduce to the public safety, of submitting to the House a resolution, giving them authority to enforce them upon a particular company?—If the Board of Trade can see their way to take the responsibility of saying what shall be done, and therefore assuming the principal responsibility of the safety of the public on the railways, I as a railway director, should not object.

1027. Submitting to the House would give it all the publicity that would be required, and opportunity for opposition, if it was necessary, on the part of the companies, if it were laid upon the table of the House for a certain time before they gave the Board of Trade power to enforce it, and it would be something in the nature of an Act of Parliament?—I should not be afraid of it myself. I am only afraid of the division of responsibility; that the manager of a line, who practically must be responsible for everything connected with safety, would feel that there was a divided responsibility, and that if he had omitted any precaution, if the Board of Trade had not ordered it he was not responsible.

1028. There are many suggestions that have been thrown out within the last year or two; on such points, for instance, as locking and unlocking the doors; do you think that it would be advisable to give them power to enforce such orders?—I should be very glad, as a railway director, if the Board of Trade would take it. That very question of locking the doors is one of the most difficult; I have known of accidents resulting from the doors being locked; and I have known of accidents resulting from the doors being left unlocked; and I should be very glad indeed if a tribunal like the Board of Trade would take the responsibility of pronouncing an authoritative decision which way the balance of danger lies, and whether they ought to be locked or unlocked; having done so, I should feel that I was free from further responsibility if I obeyed their instructions.

1029. Are you aware that on the Continent, since the accident near Paris, whilst the doors are left open, the plan of a hasp has been universally adopted?—I am aware of that.

1030. And that by the application of that very simple contrivance, no accident from the door being open, has as yet happened?—No; at the same time I am aware that there are accidents which have arisen in that way. I do not know on the Continent, but I know that in this country there are.

1031. Then I presume that the very simple contrivance that I mentioned which is adopted on the Continent has not been put in force; that is, having a hasp, which makes it a second action on the part of a person before he can open the door, and not an involuntary act of jumping up and opening the door and getting out at the wrong station?—Yes; but at the same time I have known several cases of accidents in this country which have arisen from people being able to open the doors, and getting out on the wrong side, and so being run over by some train on the other line of rails.

1032. Are not those accidents generally arising from the person's ignorance, and from some sudden impulse on the part of men who have wished to get out?—Yes, no doubt.

1033. Those accidents would be obviated, would they not, by some machinery which would make a man think twice before opening the door?—Hardly; because, if it is to be of any use, it ought to be within easy reach.

1034. On the Continent it is so far down, is it not, that you have to stretch considerably out of the carriage before touching it?—It may be that a person has to change to the opposite platform to meet some other train, and he thinks that by jumping out on the wrong side he can just get across and catch the train; that would be very often the case with us.

1035. There would be no difficulty, as was suggested the other day, in the delay of the trains or anything of that sort, by adopting such a system, would there?—As far as I am concerned individually, I think, on the whole, I prefer having the doors unlocked, and I say, as a railway director, I should be very glad indeed if an authority like the Board of Trade would take the responsibility; only, if they do take the responsibility and then next day somebody is killed, or anything goes on wrong by having got out on the wrong side, do not let me be responsible for it.

1036. Continuous breaks are another matter which has been strongly recommended, has it not?—I cannot say that I think that any particular system of break has been strongly recommended. Of course it is very essential to safety that there should be a sufficiency of break power.

1037. Then you would admit that if break power could be applied to all the carriages at once, as it is in the case of continuous breaks, it would very materially assist the people in charge of the train in preventing accidents and in stopping the train?—So much depends upon the nature of the traffic. A continuous break which may be comparatively easy where you have a train made up, running a long distance without a change may become difficult or almost impossible, if every 10 or 20 miles you are taking carriages off and putting carriages on.

1038. Continuous breaks, I believe, are adopted on several lines at present in England; the Metropolitan and the North London, and on a great number of foreign lines; on the Mont Cenis line, for instance?—The Mont Cenis is different, because there everything does depend upon sufficient break power.

1039. But, then, I suppose, from the point at which I wish to look at it, which is, giving greater power for stopping trains, and therefore preventing

ing collisions, a continuous break, if it could be applied to a train, would be a great advantage?—Yes; I should say that the chief difficulty on the subject that I see in the way of a continuous break is, that a line like the Brighton line, which I am especially responsible for, is one of the most difficult on which to apply it, because we have such an immense number of stations at which we must be constantly breaking up the trains, putting on and taking off carriages, and so on; and, therefore, until some specific plan of a good working continuous break had made its way sufficiently to be either recommeneed authoritatively by the Board of Trade or adopted by other railways which have a longer run, I do not see my way to adopt it.

1040. I only mention those points, because I wish to show that it is possible that a greater amount of safety might be secured to the public, if the Board of Trade had power to discriminate in the matter, and to enforce their opinion when it was satisfactorily proved to them that the adoption of some particular scheme was likely to work very much for the benefit of the public, and even that the directors might be inclined to do it, if they were not influenced by a wish not to run into greater expense by the change?—I think it would be found that even now, if anything were so perfectly clear that the Board of Trade could make up their mind to recommend it in a public authoritative way, and throw on the railway companies the responsibility of disregarding it, I do not think you would find that they require any additional power.

1041. But the adoption of the block system, you must be aware, the inspectors of the Board of Trade have on many lines recommended over and over again, and that they have even gone so far as to report that there was no use in continually recommending things to companies, because they were universally neglected?—I think that a recommendation like that to be of authority, must go a little beyond a mere recommendation in a report of the inspector; it should be adopted by the Board of Trade itself on some deliberation, and if then, on hearing the parties, after due deliberation the Board of Trade thought fit to order anything, I can only say that I for one should have no sort of objection, but would be bound to obey it.

1042. It would be to the advantage of the public, would it not, if there were some independent authority with power to investigate, and if it was proved to their satisfaction that it was correct to enforce a recommendation of that sort?—I cannot say that I am clear on that in my own mind. As I tell you, I have no objection to it personally; but I have not brought my own mind to see clearly that you would not lose more by dividing the responsibility than you would gain by it.

1043. Would it not take away the fear of the managers to bring before their directors anything that would lead to great expense on the line?—I do not think there is much in that, if they were convinced that a thing is necessary for safety. In all my experience as a director, I do not know that I can recollect a case where, if a clear question of safety came in competition with money, the board would not decide for the safety. After all, the money is the shareholders, and the responsibility is yours individually; and even as a question of money, it never could be a good policy to risk accidents. It is a most disagreeable and invidious position for any railway manager to be in, or even in a less degree for a railway board, to have a bad accident on their line.

1044. You would not agree that if this question of liability to compensation was altered in the way pointed out by the different managers, and suggested by the Bill before this Committee, the public should have further security when their only security, as it has been called, was done away with?—I should not have the slightest objection to it. If the Board of Trade were ready to take the responsibility, and Parliament saw its way to give it them, I should acquiesce most cheerfully. All I say is, that I do not see my way quite clearly in my own mind. If you ask me the question whether I think it is a good thing or not, I say there is a good deal to be said on both sides.

1045. Mr. *Winn.*] You stated that you were not afraid of claims for compensation by honest persons who had been injured, but what you wished to provide against was dishonest claims?—Yes.

1046. I suppose you do not consider that the sums which are awarded to honest persons now by juries are excessive?—They are often excessive even under the present state of the law; but I think it is a hard state of the law in which you have to pay that immense amount of compensation, even in case where you are in no way to blame.

1047. You have spoken in favour of cheap workmen's trains; if it was desirable to encourage cheaper workmen's trains, would not it be possible to limit the responsibility of railway companies specially in respect of those workmen's trains, without interfering with others?—Yes; but then I think the excessive amount of compensation often tells against you in other cases than cheap workmen's trains. As I instanced in the case of the Brighton company, the excessive amount which we have had to pay in respect of the New Cross accident, is undoubtedly one cause why one cannot try an experiment which would be very beneficial to the general public in the way of reducing our return fares and annual tickets.

1048. Then you do not agree with what the judges who have given evidence to-day said, that they knew of very few cases, if any, in which excessive damages have been awarded in what I may call genuine cases?—Of course, what they say must have reference to the existing state of the law. As long as the existing state of the law is, that a master is liable to an unlimited extent for the act of his servant, even though there may have been no negligence or blame on the master's part, I should not go so far as to say that there are not even then a great many excessive cases; but of course while that is the law you may have to pay very heavily for it. The question is, whether on the whole it is fair to the railway companies and for the public interest. I hold that the public interest is, in the long run, when rightly understood, identical with that of the railway companies. You cannot impoverish a railway company without, in the first place, the railway shareholders feeling it; but before long the public feel it also; and what you wish, namely, more accommodation and more liberal treatment upon the whole of the public by the railways of this country, would be effected in a very much better form if railway companies were not mulcted

Mr. *S. Laing.*

20 June 1870.

to the extent they are in a variety of different ways.

1049. Do you think that the effect of doing away with the responsibility of railway companies, or limiting it very much, would have the effect of lowering the fares upon railways?—Yes, I do; I think decidedly if you could relieve railway companies from any of those special burdens, either in the form of excessive compensations for accidents, or in the form of excessive payments for local rates, or in the form of taxation on passenger receipts, for which competing modes of conveyance are not liable, I think you would find that the public in the long run would get the lion's share of the benefit.

1050. Are you in favour of the system which has been spoken of, that the railway companies shall become practically insurance companies as well?—As a railway director, I would much rather wash my hands of insurance altogether, and leave it to a separate company, but for the convenience of the public, to meet the feeling that there might be against altering the present state of the law, and not giving a man an opportunity of insurance, I think you must provide that the railway companies should insure a passenger if he wishes it. I do not look upon it as any advantage to a railway company; on the contrary, I look upon it as one of those concessions that must be made to meet public opinion on the subject, if you fix a limit to ordinary insurance.

1051. Mr. *Denison.*] I suppose, in the event of the proposed alteration of the law, if the maximum compensation were considerably to exceed the figures which have been given by former witnesses, you would prefer letting the law remain as it is at present; in other words, that if the maximum of compensation were fixed very high, the railway companies would be losers rather than gainers by an alteration of the law?—Yes, I think decidedly so, especially if the tribunal remain the same, because I think that ordinary juries would often do what Mr. Baron Martin suggested, namely, give up to the maximum.

1052. Do you think, as some witnesses have told us, that if there were such a fixed maximum, we should get rid of a great deal of litigation in disputed claims, and that we should get rid of the costs of actions pretty much?—Yes, I think we should, with a fixed maximum, get rid of a great deal of it, but we should get rid of still more if we had a reference to arbitration instead of the ordinary course of a jury trial.

1053. Do I understand you to recommend an arbitration, or facilities for arbitration, in every case, or only in the case of large accidents, such as those to which you have alluded?—I should like to see arbitration in all cases. In the case of workmen's trains, where a small sum by way of compensation has been fixed, arbitration has been provided as a means of assessing it. In the case of the Railway Passengers Insurance Company, a separate company, who issue insurance tickets; there also I find that arbitration is provided by Act of Parliament, and that I think is a very good precedent. If it is good in that case, and their insurance goes up to 1,000 *l.*, I do not see why it should not apply equally to the case of railways.

1054. Since that Act was passed, have you had any practical knowledge of the working of these arbitration cases?—I only hear from the persons who have had that practical knowledge, that they get off a very great deal better under it, that the arbitration clauses are a very great security to them against fictitious and exaggerated claims and against litigation.

1055. What class of people have you found nominated as arbitrators?—I have not had much experience of that myself, as we are not working under any arbitration clause on the Brighton Railway, but I should fancy that the Board of Trade would be the best tribunal to name the arbitrators for that class of cases.

1056. Do you approve of the judges' suggestion, that there should be a medical expert appointed by the Board of Trade in those cases, to examine into the nature of the injuries received, and who should not be employed directly by either the plaintiff on the one side, or the railway company on the other?—I think that would be a very good suggestion, and I should like to see it carried further, by the arbitrator who decided the case being appointed by the Board of Trade also; and I should also adopt another suggestion which I think was thrown out as to costs; that the costs should be in the discretion of the arbitrator, or should follow the result of the award.

1057. I understand you to say that you would be in favour of applying this principle in all the cases you have spoken of, in single injuries as distinguished from multiplied injuries to many individuals?—Yes; I should like to see the same principle that was applied in the case of workmen's trains, and this Railway Passengers Insurance Act, namely, arbitration, applied to all cases of compensation whatever.

1058. Turning to the questions which had reference to the introduction of improvements, do you not see in practice very considerable difficulty in naming an authority which should decide what is an improvement and what is not an improvement. We all know that in the army and in the navy departments the heads of departments are applied to from all sorts of inventors for the adoption of improvements, and that their great difficulty is in deciding what is an improvement and what is not an improvement; do not you think that railway companies have just the very same difficulty?—No doubt; and their tendency is to throw into the waste paper basket everything that professes to be an improvement. You are deluged with such a number of things that are perfectly absurd that you no doubt may, perhaps, be carried a little too far, and become prejudiced against considering things which would be really useful.

1059. A railway company, being a trading company, having to look for its profits to the general efficiency with which they conduct their operations, might there not be very considerable hardship in their having to adopt expensive improvements upon which professional men are divided in opinion?—Yes, no doubt that would be so; but I for one should not be much afraid of the Board of Trade enforcing them, because I cannot imagine any public body that is responsible to public opinion and Parliament, taking upon itself to enforce authoritatively on all the railways in the kingdom anything that had not been well established by experience.

1060. Mr. *Sherriff.*] I understand you to say that the medical and the legal costs amount to about 20 per cent. of the whole sum that you paid

paid in the case of the New Cross accident?—I think so.

1061. Those I suppose are the taxed costs?—Yes.

1062. But there is generally a very great difference, is there not, between the costs paid by the plaintiff, and that which the railway company has to pay as taxed costs; for instance, with regard to medical men who are called in as evidence, and in other ways; the plaintiff's bill would be a different bill, with reference to the amount, from that which was paid by the railway company?—Yes, there are several cases with us where medical men, whose usual charge for the attendance of patients of the poorer sort is 1 *s.* or 1 *s.* 6 *d.* a visit, in their bill against the railway company claim two or three or five guineas a day.

1063. And those would be reduced on taxation, would they not?—They would be reduced on taxation.

1064. But still, probably, the plaintiff in the cause would have to pay, out of the damages which he received from the railway company, the bill of the medical man?—Yes, and with that class of medical men it is not likely that it would be taxed down so low as perhaps the plaintiff actually had to pay; that is a matter between the plaintiff and his professional advisers.

1065. If the legal expenses were reduced in the bulk of the cases, would not more money go into the pockets of the sufferers by the accident?—Yes, there are a great many of those cases where the whole compensation is swallowed up by the professional men who get up the case.

1066. The Board of Trade, generally speaking, have not, I think, originated improvements in the railway system?—No.

1067. Do you know of any one improvement which the Board of Trade have originated in the working of railways?—No, I do not know of any.

1068. Have not improvements in railway working been made by the railway authorities themselves, and has it not been after they have been adopted for a considerable period, that the Board of Trade inspectors have recommended them to others?—Yes, certainly.

1069. As regards the continuous break about which you were asked certain questions, is not one great disadvantage of the continuous break this fact, that the blocks of the breaks do not bite the tires at the same time; that generally speaking, there are many of them that do not take hold of the wheel at the same time, and in consequence the continuity is broken; then there is an amazing amount of trouble in keeping them in order, and sometimes when they are most particularly wanted, the want of that power is detrimental to their being used at all?—Yes, I think it is always found that if you multiply complicated precautions, you let danger in by one hole when it goes at the other.

1070. What kind of accidents would be prevented by the doors of carriages being open on both sides?—The only class I can conjecture is in the case of an imminent collision, or in case of a train breaking down, and carriages taking fire.

1071. Is it not your opinion, as a practical railway man of many years' experience, that with regard to opening the doors on both sides, especially in the case of excursion trains, where passengers, as a rule, are not easily kept in their places, there would be more danger from opening the doors on both sides, rather than there would be any gain from the plan suggested?—Yes, I think it is very probable indeed that you would have a greater number of accidents from leaving the doors open than from shutting them.

1072. So that, in truth, there is a great difference of opinion; some persons believe that opening both doors will be an advantage, and others believe that the shutting of the doors on one side is a distinct advantage, and the Board of Trade will not take the responsibility of issuing a general instruction, so to speak, that they shall be either open or shut?—Precisely so; I think the circumstances are very different, according to the nature of the train; where you have a number of people getting in and out perpetually at short stations, it may be very dangerous to leave the door open on the wrong side. In a long train running 20 miles at a stretch, travelling at night, if you ask me to choose personally, I like to have the door open.

1073. Mr. *H. Palmer.*] There are occasions, are there not, where the door being open would afford facilities for escape from accident?—I say so; I say that, personally, travelling long journeys either in England or on the continent, I individually would prefer having the door open; at the same time, I think if you were to introduce it by law generally in England, the probability is that you would have more accidents from opening the doors.

1074. It affords facilities of escape more than for preventing accidents, does it not?—No doubt of it; it strikes the imagination more. You do not like the idea, if a bad accident happened, of a lot of people being jammed up in carriages, when, if the doors were open, they might all get out. In a great accident, it might be much better that the doors should be open; but in a small accident it would be worse; that is to say, in the class of small accidents which do not strike the imagination; for instance, in an excursion train, where the people in their hurry and confusion are continually getting out at the wrong side, and hurting themselves, I believe it would be rather a disadvantage; but in the big cases that strike the imagination, I think the door had better be opened.

1075. Does it often occur that accidents arise abroad from the door being unlocked?—No; but you have not so much of that traffic abroad, great crowds of passengers getting in and out at short distances, with frequent trains passing.

1076. Supposing you had a limit to the liability, would you have it by a scale; that is to say, that the third-class passengers should have less than the second, and the second less than the first?—I have never been able to bring my mind to see any clear distincton between the three.

1077. There is no very great reason why a third-class passenger should have less for his injuries than a first-class passenger?—No; or why a first-class passenger should have more than a third. You must take care that you do not raise the figure so high as to make the thing impracticable altogether, because you raise it much beyond the 200*l.* that I have mentioned, I should think that the railway companies had better remain as they are, especially if the tribunal is to remain the same.

Mr. *S. Laing.*

20 June 1870.

1078. Is there a passenger signal communication with the guard on the Brighton line?—Yes, there is, under the Act of Parliament.

1079. Is it by a rope or electricity?—A rope.

1080. Does it effect its purpose fully?—I think so; it amounts to this, that a person might by just putting his hand outside the window of the carriage, get hold of the rope, and pull it.

1081. But it sometimes gets caught, does it not, and by a sort of twist around the top of one of the carriages it becomes fixed, and does not act?—It has been very little used with us; but I have not heard of any complaints, and the Board of Trade allows it.

1082. Do you prefer it to the electric system?—Yes, it is simpler; it is difficult to work the electric system on a line like ours, where you are so constantly putting carriages on and taking them off. The conditions of a traffic are very different on a line where you never go more than 50 miles without attaching or detaching carriages, and a long run of 300 or 400, or 500 miles with the same train.

1083. Then you think that the rope system answers the purpose as well as any other?—I think it does on a line like the Brighton line. If you were travelling across the continent of America in the same train for 1,000 or 2,000 miles, I am not prepared to say that the telegraph system might not be better.

Thursday, 23rd June 1870.

MEMBERS PRESENT:

Mr. Dalglish.	Mr. Plunket.
Mr. Davison.	Mr. Price.
Mr. Denison.	Mr. Charles Reed.
Mr. Headlam.	Sir Henry Selwin-Ibbetson.
Mr. Lopes.	Mr. Sherriff.
Mr. Hinde Palmer.	Mr. Rowland Winn.

THE RIGHT HONOURABLE T. E. HEADLAM, IN THE CHAIR.

Mr. JOSEPH BROWN, Q.C., F.G.S., called in; and Examined.

Mr. *J. Brown*, Q.C., F.G.S.

23 June 1870.

1084. *Chairman.*] YOU are one of Her Majesty's Counsel, I believe?—I am.

1085. And you have paid considerable attention to the subject of the law concerning the compensation paid by railway companies for accidents upon their lines?—Yes, I have.

1086. And also, I may say, generally to the law, not only affecting railway companies, but affecting private individuals, as to compensation for accidents?—Yes.

1087. You have written a pamphlet upon the subject, have you not?—I have.

1088. Will you give us, in as short and precise terms as you can, what is the law concerning the liability of railway companies at the present moment?—The liability of railway companies must be considered, I apprehend, under two heads; first, their liability for accidents to persons who are not passengers, and, secondly, their liability to those who are passengers. When an accident occurs to a person who is not a passenger; for example, a stranger crossing the line of railway, who is run down by a train, the liability of the company depends upon the ordinary rule of law applicable to master and servant; that is to say, under such circumstances, if a carriage driven by my coachman were to run down a man by negligent driving, I should be responsible to the last shilling of my fortune for the damages caused by the accident; and in like manner, if a railway train is carelessly driven, say, by neglecting a signal or by neglecting a passenger, who was actually in any way upon the line at the moment, and the man is run over, the railway company are responsible to the full extent of the mischief done by their driver, however great it may be. That is the ordinary law of master and servant in a case where the party injured is a stranger to the person causing the injury. In the case of passengers the liability depends either upon an express or implied contract. Every passenger who pays the railway company for a ticket, enters into an implied contract with them, and the railway company with him, to carry him with due care and skill, and if any of their drivers or servants break that contract by not carrying with due care and skill, and the passenger is injured, the passenger has his remedy against the railway company to the fullest extent of the injury caused by it.

1089. Is there any material difference in practice with reference to their two different forms of liability; suppose, for instance, that an accident were to occur by a railway train running into a cart crossing the line, and killing the driver of the cart, and that a passenger upon the line was killed by the same accident, would not the damages be measured exactly in the same way in each case, notwithstanding that the case of the passenger stood upon a different theory of law to the driver of the cart?—By the rule of law they would be measured precisely in the same way. I can only suggest one difference, and it is this: in the case put the passenger could hardly have contributed to the accident at all; but in the case of a man driving his cart across the line, a suggestion might be thrown out to the jury, though possibly not established, that the man was in some respects to blame himself; and that might affect the damages in their judgment, though it ought not to affect it if they go by the theory of the law.

1090. With respect to the passenger also, as well as to the driver of the cart, if he contributed to the accident by his own negligence, the rule would be the same with respect to the passenger as to the driver of the cart, would it not?—The rule of law is the same.

1091. So that in reality the distinction between the two forms of liability is not very material in practice?—It is not.

1092. That being the state of the law, do you think it is reasonable, and are there grounds for the complaints that are made by the railway companies as to the state of the law?—Certainly; my impression is, and has been for some years past, derived from experience, that the railway companies have reason to complain of the state of the law. I think so, whether you view the case as relating to accidents to strangers, or to accidents to passengers. It appears to me that the present state of the law has unfortunately operated as a great encouragement to fraud and imposture. I say so from experience of causes at Nisi Prius. I do not think that any man who has had much experience of those cases before juries, will deny that a large number of cases occur in which both passengers and strangers recover damages from railway companies for accidents where they ought not to recover at all; either because they have themselves been negligent, or because there has really been no negligence on the part of the servants of the company. And again, I think not only is that so, that they

Mr. *J. Brown*, Q.C., F.G.S.

23 June 1870.

recover in many cases where they ought not to recover at all, an observation which applies equally to the case of ordinary passengers, but I think that where they are entitled to recover, where negligence is justly imputable to the company's servants, the damages are constantly made the subject of the grossest exaggeration, and in many cases of imposture.

1093. First, as to the common law, I will put a case in order to make my meaning clear; supposing that an injury is inflicted upon an individual by a gentleman's carriage, in some respects by the negligence of the coachman, or that there is such a degree of negligence that the present law makes his master liable; and I will also suppose that it is proved that the master has exercised special and particular care to get as careful a coachman as he could, so that no blame whatever could really be imputed to the owner of the carriage, do you think it a right theory of law that the master should be unlimitedly liable for what may be called the negligence of his servant?—That is a matter to which I have given great consideration, and my conclusion has been that it is decidedly wrong. In the first place, I deny that it is just that, where the master has taken every proper precaution to select a careful servant, he should be responsible at all even for one shilling. I deny the justice of it. Our law in one case admits the irresponsibility of the master, where he has taken due care to select a careful servant. I mean in a case where one servant receives injury from the carelessness of another, in which case the injured servant has no remedy against the master, provided the master can show that he took due care in the selection of the other servant. There are, of course, a great number of cases of that sort in the books, and that principle has been settled by the courts for a great many years. Then, I cannot see the abstract justice of making a master responsible because his servant did what was contrary to his orders. One can understand the justice of making a master answerable for what his servant does in pursuance of his orders, but when the servant acts contrary to orders, as by being guilty of negligence when he is employed and engaged to drive carefully, I am totally unable to see the justice of making the master responsible for it; and it appears to me as unsound on first principles. The other part of your question relates to this, is it right in theory that the master in such a case should be responsible for the full extent of the damages. I should say most decidedly not; and the greatest code of law (at least such it is regarded by the first jurists) that ever existed amongst mankind (I mean the Roman law) expressly limited the liability of the master in such cases to the value of the slave who did the mischief. The remedy against the master by the Roman law was by what was called the *noxalis actio*. In that action the master had his choice either to give up the slave to the complaining party, or to pay the amount of damage done; therefore he could always rid himself of the responsibility by giving up the slave, and it was a very rare case indeed for the value of a slave to exceed 20 *l.* in money. I found the other day, on looking into the "Commentary of Gaius," the manuscript of which has recently been discovered and printed, that he lays down expressly in his text, that it is not just that the master should be responsible beyond the value of the slave. But irrespective of what the Roman law says upon the subject, I cannot, for the soul of me, understand the justice of making a master responsible to the last shilling of his fortune, for a momentary accident caused by the negligence of a servant, who had the best of characters, and who was habitually careful. What possible justification can there be for making me liable, at the rate of 10,000 *l.* or 20,000 *l.*, because my coachman, in a moment of thoughtlessness, drives over a man who is making 3,000 *l.* or 4,000 *l.* a year, and kills him?

1094. I understand that you would not make the master liable, unless something in the nature of negligence or improper conduct could be imputed to the master?—Precisely.

1095. That would conflict with the doctrine of common law, *qui facit per alium, facit per se*?—It would conflict with that doctrine as at present interpreted; but I humbly suggest to the Committee, who will judge for themselves in the matter, that it is not fair to say that I do act by my coachman, if my coachman is acting contrary to my orders at the moment in question. If he was acting in pursuance of my orders, I admit that it is a case of *qui facit per alium*. But I do strongly urge this upon the Committee, that in criminal courts the law is that it is not the master's act, if the coachman is driving carelessly at the time he is employed to drive carefully. The law says, that it is not the master's act, and in criminal proceedings will not allow the master to be punished for it for that very reason; and yet the law of civil rights says that it is the master's act, and that he shall be responsible for it.

1096. We were informed by the judges that if a servant acts quite contrary to the line of his proper employment; for instance, if a gamekeeper took the horses out to exercise, under such circumstances the master is not responsible if the gamekeeper rides over a man?—That is so.

1097. The same theory, I think, would cover, according to your view, the master in the case of a coachman who drives contrary to his master's instructions?—I think it ought to be so. I dare say the Committee are aware that the distinctions in the decided cases run very fine as to when a servant is acting within, and when he is acting beyond, the line of his employ; for example, if my coachman is driving my carriage home to my stables, and in doing so he carelessly drives over somebody, I am answerable, as he is acting within the line of his employ; buf if, instead of driving it home to my stables, he drives it two or three miles off to make a call on an object of his own, the rule then is that he is not acting within the scope of his employ, and I am not responsible; that is an illustration.

1098. You think that the distinction is an absurd and technical one?—It shows how very fine the line runs between a servant acting within his employ and beyond his employ.

1099. Your theory would be that the master should in no case be liable, unless it could be said that there was certain negligence on the part of the master?—Or unless the master was himself present directing the coachman, or giving him orders; for example, if I was riding in a cab, and was in a great hurry to get to a railway station, and I said to the man, "Drive as fast as you can, or I shall lose the train," and in doing so he ran over somebody, I should be responsible by law, although I am not that man's master, because I gave him the particular direction.

1100. In

1100. In the case of a railway company, the liability depends upon contract, would you apply the same principle, and not hold the railway company liable in a case where they exerted every reasonable and proper precaution to get good servants, and yet an accident happened by the negligence of a servant?—I would exempt them from responsibility in the case where an accident happened to a stranger, not to a passenger; I would not exempt them from responsibility altogether in a case where such an accident happened to a passenger, because it would be a question of contract.

1101. Take the case that I put before: suppose that a train ran over a cart crossing the line, and that the man in the cart was killed, and a passenger upon the line also, and it was proved that, although the railway company had exercised every possible precaution in getting careful drivers, yet, notwithstanding their care, this accident happened, you would hold that they were completely irresponsible as to the man in the cart?—I would.

1102. But as to a passenger who was killed, you would hold that they were not completely irresponsible?—As to the passenger killed, I should hold them responsible, but I submit that some limitation ought to be imposed upon their responsibility.

1103. It has been suggested to the Committee that the law should be altered to this effect, that the ordinary fare, or at any rate the fare charged, should cover the liability on the part of the company to a certain amount, and then that the passenger, if he wished to insure for a larger sum than that, should be at liberty to do so, upon paying a certain extra premium; do you think that that would be a reasonable alteration of the law?—I do think it would be a reasonable and desirable alteration of the law; but with regard to the limit of amount that you would fix, that is a matter of detail which would deserve consideration. I would suggest this to the Committee that it is probably more desirable that third-class passengers should be insured to some extent by the railway than either the first or the second-class passengers, because they can least afford to meet with those accidents, and are least able to help themselves. First and second-class passengers, as a rule, or a portion of them could generally pay extra insurance if they desired it.

1104. You have had experience, have you not, of the administration of the law?—I have had some experience, but not so great as some gentlemen who hold briefs for railway companies more frequently than I do.

1105. We have had very great complaints on behalf of railway companies of the extortion to which they are subjected in consequence of the existing state of the law and the frauds that are practised upon them; I presume that you are acquainted with such complaints?—Yes, and I must say that those complaints are too well founded. One of my reasons for thinking that a limitation upon the railway companies liability would be extremely desirable, would be, because it would I think prevent a great many of the frauds and impostures which are now practised through the medium of courts of justice, and a most odious description of frauds they are; and secondly, I think, that it would save a great deal of time which is now wasted in investigating the amount of damages due to a plaintiff who is injured. I suppose the Committee are aware that things have come to such a pass that probably one-half of the time of the courts at *nisi prius* is consumed in trying actions for those accidents; and it is a very serious obstruction to other business, and business of the most important character as every barrister knows.

1106. Sir *H. Selwin-Ibbetson.*] Do you consider that it would be a reason why those trials should not take place, because they interfere with the course of other business?—No, probably no consumption of time that was requisite to do justice would be any reason for altering the law. It is because I think that the consumption of time is unnecessary, and because in too many cases it is spent in furthering fraudulent claims that I object to it. At the same time I must tell the Committee that it is a very remarkable and astonishing thing to a lawyer (it amounts to what I may call a phenomenon) to see the incredible increase that has taken place in those actions since I entered the profession, which is now 35 years ago.

1107. You think that that is not to be attributed to the fact that accidents, from the amount of travelling being increased, have increased very considerably within the last few years?—It must be attributed, in a great measure, to that cause on account of the dangers incident to railway travelling, and the number of accidents that have been caused must be attributed to that. I humbly conceive that railway travelling is inseparable from accidents; and this unfortunate case on the Great Northern, which has happened within the last two days, seems to be an illustration of it.

1108. That clearly was an accident that no forethought could have prevented, as you can see upon the evidence, so far as it has gone at present; but still accidents, such as collisions, have grown in number very much within the last few years; and those accidents, some of them are very serious, and in many cases injuries take place in them, and that accounts, in some way, for the number of cases that are brought before the courts?—Certainly.

1109. I think I understood you to say just now, in answer to the right honourable Chairman, that you would not hold the companies responsible in the case of a stranger; that is to say, a man crossing the line with a cart?—I did say so in a case where they had taken every care to select a proper servant.

1110. In those cases a man crossing the line with a cart is presumed, is he not, to be crossing it under the sanction of the company's servants?—That is a very important assumption. In most of the cases of that sort the question discussed is, whether or no the man crossing the line was doing right or doing wrong in the act at the time; as, for example, whether he had looked up and down the line to see whether any train was approaching.

1111. In limiting the responsibility of railway companies with regard to passengers, do you believe that such a limit would materially diminish the number of those fraudulent actions?—I do indeed; and I will give the Committee my reason for thinking so. In a very large number of cases indeed (I cannot say what proportion, but the proportion is very large), the question between the company and the claimant is not whether the company are liable, but how much he is entitled to. If you put the case that their liability was limited, we will say, to 250 *l.*, I dare-

Mr. *J. Bronn*, Q.C., F.G.S.

23 June 1870.

say that in three cases out of four it would prevent an action being brought at all.

1112. That is to say, they would settle the claim at once, without going into court?—Precisely.

1113. But otherwise, supposing that it was a case of death, and therefore one for compensation by the jury, you do not take the case out of court unless the company at once meet the claim, because there would always be some lawyers willing to make a case out of it for the sake of the costs, if it was disputed?—If the negligence was denied, the cause would have to be tried; but, as a rule, a considerable portion of any length of evidence is occupied in inquiring into the amount of damages, particularly where surgeons are called on both sides; which, I may also observe, is perhaps the most expensive part of the evidence, and the costs of the inquiry would be very materially shortened if the amount of damages were limited to a fixed sum, even although the question of negligence had to be tried. Doctors are very expensive witnesses, as I dare say you know.

1114. You mean that the same number of witnesses would not be brought into court?—Precisely so; and they would be less expensive witnesses.

1115. Mr. *Winn.*] To what extent do you think that the liability of railway companies ought to be limited in point of amount?—That is really a question on which I scarcely feel competent to offer an opinion; but I would submit to the Committee that the amount of liability rather should bear some proportion to the profits derived by the company from the traffic. There was a time, I believe, when railways were expected to pay 10 or even 15 per cent., and a larger liability in point of amount might have been reasonable then than at a time such as we live in, when very few railways pay 5 per cent., and a great many do not pay 3 per cent.

1116. Mr. *Denison.*] You published a pamphlet upon this very subject in February last, did you not?—Yes.

1117. Did you write that pamphlet from your own experience of the way in which those cases are worked?—Yes; it was from a sense of the injustice that has been caused by the present system. I may say this, that I have been no friend of railway companies in my practice; my practice has been generally against them. I have conducted a great many actions for very large amounts indeed against many railway companies with success; but I have been seldom employed by them.

1118. You say in the preface to your pamphlet, that the present tendency of things is "to shift the accidental misfortunes of life from those who meet with them on to other people"?—That is so.

1119. In other accidents as well as railway accidents?—Yes, in other accidents, as well as in the case of railway companies, there is no doubt that innumerable cases occur in courts of law, where a man who has met with an accident that was either wholly due to his own negligence, or partially due to his own negligence, or at all events that was not really attributable to the fault of the defendant, succeeds in recovering compensation from the defendant. The cases are endless.

1120. The judges, who were before the Committee as also yourself in your pamphlet, have drawn attention to the different results under the civil law and under the criminal law; is it your opinion that the two laws should be made to correspond in this respect?—As a question of abstract justice, I cannot see why a master, if he is answerable at all, ought not to be punished in person if he cannot pay in purse. If he ought not to be punished at all, I conceive that he ought not to be mulcted of his whole fortune as he is, and has been in some cases, because his servant has momentarily committed an act of negligence. Then, as a rule, I would say this, that the civil punishment, as I may call it in the shape of damages, which the master receives by an action, is 20 times worse than any that he would receive if he was actually criminally responsible.

1121. Have you any observations that you would wish to make to the Committee about the working of what is known as Lord Campbell's Act?—I conceive that Lord Campbell's Act operates very harshly and unjustly in a great many cases. Above all in the case where a man of considerable income loses his life by a railway accident, it operates very harshly in this respect. When the company give that gentleman a ticket, they probably do not know him, and do not know what his income or fortune is; they do not know what his will may be, or what settlement may exist, or how his fortune may go after his death. If he happens to be killed by a momentary act of negligence on the part of one of their servants, and it turns out that he had a life income of 5,000 *l.* a year which ceased with his death, and he left a widow and several children, a jury may give him 20,000 *l.* damages, which would not be at all exaggerated in the case of an income of that amount; and the jury may give 20,000 *l.* damages, although that gentleman only paid the company 1 *l.* or 5 *s.* probably for his railway ticket; the company had not the smallest notion of the extent of responsibility that they were incurring. That is certainly quite contrary to the principle which has been sanctioned by Parliament in the case of carriers of goods. Parliament has long ago imposed a limit upon their liability unless goods above the value of 10 *l.* are insured and paid for as such; and why? Because it is not fair to impose liabilities of an unknown or unlimited amount upon carriers, without they know them beforehand, and have an opportunity of taking a corresponding premium which may cover the risks they incur.

1122. Is not one of the great objections to the present state of things that the amount of fine or damages would bear no proportion whatever to the degree of carelessness or delinquency?—Yes, it bears no proportion whatever; and I may say this, and I venture to suggest it to the Committee, that it is impolitic that it should continue as it is now. The solicitor of the North London Railway Company, a gentleman of the highest character, informed me himself, that the company ran their trains over a short line in London, I forget the exact stations between which it runs, belonging to some other company, and they had to pay 2,000 *l.* odd damages to some passenger who had only paid them a fraction of a penny, that is to say, that was their share of his fare; and this solicitor informed me that, in consequence of that, the company resolved to discontinue running their trains upon that line, because the very small sums that they receive from it were utterly inadequate to the risks that they incurred

Mr. *J. Brown*, Q.C., F.G.S.

23 June 1870.

incurred by so doing, and yet he told me that it was a matter of considerable convenience to the public that the trains should be run there. I do not know whether I might take the liberty of suggesting to the Committee that if it be, in their judgment, a matter of the highest importance to encourage the making of railways in future, they certainly will remove one consideration which probably restrains people from embarking their money in the making of railways now, I mean the manner in which their profits are affected by the large liability that they incur through those railway accidents.

1123. You have expressed a very strong opinion that the present system of awarding damages is, in fact, no real security for the public, and that it does not bring about a better state of things, as regards the public, than would exist if the liability of railway companies was limited; and you have said that "No infliction of damages can do more than ensure the vigilance of directors to employ good servants; it cannot prevent or guard against the errors to which the best servants are liable"?—I think that is so, certainly.

1124. Are you of opinion that the present system of awarding excessive damages, which have no relation whatsoever to the negligence or delinquency which brought about the accident, are, in fact, no real safeguard to the public?—I do not think that they are any real safeguard to the public. I must say this, that in the cases in which I have been concerned, I have had occasion to admire the extreme precautions that were taken to ensure safety to the public and to prevent accidents; and I have considerable doubts in my own mind whether any system whatever would secure much more care and caution than is exhibited at present. The only thing that astonishes me is, that the accidents which occur are not 10 times as numerous, when I reflect on the risks that are run, and the dangers that are inseparable from that system of travelling; and I certainly do conceive that even if railway companies were not responsible to the extent of 1*s.* to a passenger, yet inasmuch as they know that no accident can occur to a train without the smashing of engines and carriages, which probably cost them thousands of pounds, besides the damage to the line and the interruption of the traffic, really their own interest would probably secure pretty nearly the same amount of caution as exists at present.

1125. Do you think there are any considerations which would make an alteration of the law in favour of railway companies justifiable, without extending that principle to all branches of society, to individuals as well as to associated companies?—If considerations of abstract justice were looked at simply, I think not; if considerations of policy were looked at, I certainly have a strong, and I may say overpowering, impression upom my mind that it is the highest policy of Parliament to do everything to encourage the making of railways, which is not very likely to be done unless Parliament holds out some encouragement for it, seeing the low profits to which so many railway lines are now reduced.

1126. Have you formed any opinion as to the practicability of altering the present mode of trying those actions by judge and jury?—The truth is, I feel a difficulty there on account of the popular ideas on the subject of trial by jury. I expressed my sentiments on the subject of trial by jury a good many years ago in a pamphlet which I wrote upon the subject. I regard this tribunal as one which is excellently well adapted to certain causes, but extremely ill adapted to others; and I have reason to think that such is the general opinion amongst the judges at the present moment. I believe that great jealousy would be created amongst the public by any suggestion of withdrawing those actions from a jury; but at the same time it does appear to me that Parliament has rather led the way to the establishment of a special tribunal for the investigation of such cases by the provisions in the Merchant Shipping Act, which are to the effect that where loss of life occurs on board ship, or loss of goods by negligent navigation, the whole matter may be made the subject of inquiry before the Board of Trade, and any number of claims of damages for loss of life or property may be investigated and decided upon by them, and in such case nautical assessors are employed. Of course they possess knowledge which it is impossible that a jury should possess, and which is of the greatest importance in many cases. In like manner, I can conceive that it would not be difficult to construct a special tribunal which was much better adapted for the investigation of railway accidents than a jury, of which tribunal I conceive that one or two experienced medical men should form a part, either as assessors or as judges. Probably one of the judges of the superior courts, with a couple of medical assessors, would form about as satisfactory a tribunal for the investigation of such cases as can possibly be constituted. I am sorry to say that, as far as juries are concerned, their sympathies are too apt to mislead them in cases of this sort, more particularly where the plaintiff, perhaps, is a widow left without any provision. Nothing is so pleasant as being charitable with other people's money, and such is found, I think, to be rather the impression amongst juries.

1127. Do you think that, in the event of a great accident, for instance, such as that deplorable accident which occurred two days ago on the Great Northern Railway, a tribunal of this sort would give satisfaction to the public; do not you think that the intervention of a jury in great accidents acts as a sort of buffer between public opinion and the railway companies?—I must say that I have some doubt whether any tribunal whatsoever would give as much satisfaction to the public as a jury. It appears to me that the great argument in favour of juries is that, whether their decisions are right or wrong, as a rule the public look upon it as a popular decision, and it reflects to a considerable extent the popular voice. As an instrument for the investigation of truth, I must say that I think that the jury in many cases has wholly failed.

1128. Mr. *Reed.*] In your opinion it would be desirable, would it not, to increase the competition amongst railways?—I am not sure that my opinion involves that. My observation respecting the policy of making further railways was rather directed to new cross lines, such as cross country lines for example, which will not pay upon the present system of things, unless they can be made cheaply and worked cheaply, and they would operate probably as feeders to the main lines of railway; there would be some additional competition, no doubt.

1129. Of course the tendency would be to lower the fares, if there were a large increase of

Mr. *J. Brown.* Q.C., F.G.S.

23 June 1870.

railway lines?—I have very great doubt myself whether the fares could be lowered below their present scale with advantage to the railway companies, or rather to the public. It strikes me that most companies have been driven by competition to lower their fares to that point at which they will secure the greatest amount of traffic and the greatest yield. I believe nearly all the great lines have been driven to that long ago, and I very much question whether they could lower them beyond their present scale.

1130. Are you not aware that the companies have expressed an opinion that, if limited liability were given, there would be a considerable diminution of fares?—I am scarcely competent to judge upon that point, but I should have thought not.

1131. With regard to juries, is there a greater tendency on the part of juries to give damages against railway companies than in ordinary cases of accident; for instance, a man falls over an area grating in the street, and breaks his leg, would a jury give against the owner of the house, who was responsible, a less amount of compensation than they would in the case of a railway accident; do they not take the same evidence, and are they not guided by the same principles?—Strictly, the damages ought to be exactly the same, whether the defendant was the owner of a house, or a railway company, or any other person, but in practice we find the difference is most conspicuous. In a case where a small tradesman, we will say, is the defendant, the damages given in a case of that sort are usually pretty moderate and fair; but if a rich company, or a rich brewer, or a railway company, are the defendants, the damages are very frequently excessive.

1132. With reference to those extortionate claims, has it not been the prevailing custom in connection with public improvements, the making of a new street for instance, to send in exaggerated claims, and to do exactly in that case that which they do with regard to railways?—Yes, certainly.

1133. Uniformly, that is the tendency; it is not alone applicable to railway cases?—Yes, it cannot be helped; but this observation perhaps should be made, that in the case of a claimant sending in a claim for compensation, he looks upon himself as a sort of person selling to the company, and that he is entitled to get the best price he can.

1134. Mr. *Price.*] Your evidence has all reference to the present state of the law, and not to its alteration; but I think I understood your answer to the question put by the honourable Member on my left to be this, that you have not noticed so very much difference in the mode in which the law is applied in the case of railway companies and the case of ordinary householders, or men engaged in other pursuits or trades?—I do not think there would be much difference in a case where a railway company was defendant, or a case where a rich brewer, or any other company were defendants, or a case where Pickford, the carriers, for example, were defendants; but if you had a small tradesman, and a very serious accident, he would probably have much more moderate damages given against him than would be given against a railway company.

1135. Would that be because the tradesman was more likely to be of their own class, or because the distinction would be a rich and poor distinction?—The first reason which you suggest is the one commonly believed to operate; it is a trial *per pares*, in case they are defendants.

1136. Does it not occur to you that it is an additional injustice to a railway company that they shall be liable for an amount of damages so largely out of proportion to the amount which they receive, seeing that they are bound to give a ticket, and therefore bound to enter into a contract with a traveller whether they would like to to do so or not?—Abstractly, I think that is an injustice, but, practically, I doubt the operation of it; for this reason, that railway companies would be obliged, in carrying on the business upon which they are solely dependent for their profits, to give a ticket to everybody who comes. If the company were at liberty to impose their own terms on the back of the ticket; for example, saying, "This company will not be responsible in the event of loss of life or injury to passengers beyond the amount of 100 *l.*;" if they were at liberty to do that, probably they would have no reason to complain of the present state of the law, but I am quite satisfied that that would never be adopted; they have never attempted to impose such terms as those, and it is questionable whether they could do it under the Railway Traffic Act.

1137. I am aware that a railway company, in the very nature of the case, must carry every passenger who presents himself to take a ticket; but since that is a peculiar incident of that peculiar traffic, does it not seem rather to justify some special precaution or protection?—I conceive that is a matter of public importance, and that if any limitation is made it should be made by Parliament, and not be left to the companies themselves. That was the conclusion at which Parliament arrived 30 years ago, when they passed what is called the Carriers Act, the 11 Geo. 4, and the 1 Will. 4. Carriers had been striving for 40 years before the Act passed, to limit their liability by notices, but those notices were always evaded by judges and juries by some shift or other. At length opinion turned upon the subject, and it was thought to be unjust to make carriers responsible to an unlimited amount where a man only paid a very small charge, and where they did not know the value of the parcel, and so Parliament imposed a limitation, that where goods were of a value above 10 *l.*, unless the value was declared, and some rate of insurance paid, the carriers should not be responsible. That was thought to be a matter of public interest, and I conceive it to be still more a matter of public interest in the case of passengers, that if any limitation be imposed it should be done by Parliament.

1138. I gather that you have already expressed the opinion that there should be some Parliamentary limitation?—I think so; I have a very strong opinion that way, certainly.

1139. Sir *H. Selwyn-Ibbetson.*] You stated that one great objection to the present system was, that medical evidence on both sides of a very expensive character was brought in, raising the amount of costs in the actions; how would you be disposed to look upon a medical authority appointed independently of either the railway companies or the private individual injured, belonging, say, to the Board of Trade, who should investigate into all cases of accident, and whose evidence should be received as the only evidence in the case?—I think there would be a difficulty about that, unless the inquiry was conducted openly.

openly. If the inquiry was conducted openly, and by a medical man who had had some legal experience (for he really ought to be something like a coroner, a lawyer, and a doctor rolled up into one), there would be less objection to it. I question whether it would give satisfaction if there was any private inquiry by a medical referee as to the amount of damages.

1140. I meant that the medical evidence in the case should be only the medical evidence of an impartial person appointed by a central authority; that neither side should have the power of calling in their own medical evidence, and bringing conflicting medical evidence, therefore, into court? —Probably that would remove the objection to the course proposed, but I am afraid, then, that the expense would very nearly come to what it is under the present system.

1141. There would be only one medical officer, and that a public servant, who would be employed, and therefore his rate of charges, whatever they might be, would be a fixed rate?—He would be compelled, I suppose, to hear the evidence of the medical men who had attended the injured party, and to hear the evidence of the medical men employed on behalf of the company probably. I do not think it is very probable, that in a case of that sort, if the company knew that the injured man had employed a doctor to state the nature of the case to the medical referee, they would neglect to employ a doctor on their side also to examine the injury.

1142. You do not think that medical evidence might be taken in the same way that the inspectors of the Board of Trade are bound to be present after every accident to investigate into the causes of it; that the medical officer of the central authority might go down and take a view of the accident, and claimants for compensation would go to him, or he would have to go to them, for examination?—The difficulty I feel is in seeing how you would lessen the expense in such case of the other medical men. I fully concur in the suggestion that the employment of a kind of medical referee, officially appointed, would be of great value, but I have some difficulty in seeing how that would diminish the expense of the trial.

1143. You stated, in answer to a question, that you did not think that this compensation which was given was any check at all upon directors in the management or care exercised over their lines; but do you not think it is any check on their running an increased number of trains for the sake of profit, and thereby in that way increasing the risk of accident?—I do not think it is. I apprehend that directors, as a rule, never anticipate an accident. They take precautions against accidents, and they are hopeful that, having experienced servants, their servants will conduct themselves with due care, and that they do not anticipate accidents; but when an accident does occur they look upon it as a sort of misfortune, which nobody can foresee, and which cannot be prevented.

1144. May not the question of expense sometimes interfere with improvements for the protection of the public being introduced?—Undoubtedly it may.

1145. And therefore the public are not likely to get the same amount of benefit, unless the directors feel that it is their interest to protect the public on their lines as much as possible?—I quite agree with that.

1146. Then in that case every additional onus that you throw upon the directors, and every additional penalty, is an additional interest in their minds to keep their line properly worked?—It seems to me that the penalty which they suffer from an accident is so large, under any circumstances or any form of liability that you impose, that it is sufficient to secure a great amount of vigilance and care on the part of the directors, and I do not myself believe that increasing the penalties to the enormous amount to which they at present run, secures any additional amount of vigilance. My own impression was that possibly the utmost limit of vigilance that could be obtained from directors, would be obtained by some system which imposed on them the full amount of responsibility, where they were personally to blame by their regulations, or by their niggardliness, or anything of that sort, but which exempted them either wholly or partially where they were not to blame but their servants were.

1147. That would meet the difficulty of the case of a company not being very prosperous, placing the probability and possibility of loss by compensation and other things against the known expense of an improvement on account of the public?—That is so. I have heard of the case of a line which is yielding a very low dividend indeed, where a portion of the line undoubtedly wants renewing, and the directors refrain from renewing it on account of the expense. I conceive that if such a case as that came before a jury under any system of legislation, it would probably be judicious and perhaps right to make the company responsible to the full extent.

1148. Mr. *Winn.*] You have said that you think no tribunal would give so much satisfaction to the public as the present one of a jury; by what kind of jury are those cases generally tried; by a common jury or by a special jury?—The company in the cases of large amount almost invariably have a special jury.

1149. A special jury are of a class rather superior to a common jury, are they not?—They are generally superior in education and intelligence.

1150. We have had it stated in evidence that the greater number of accidents occur to second and third-class passengers; do not you think that the fact of the jury being taken from the same class of persons as those who are injured, rather tends to give satisfaction and to create additional confidence in the public mind?—I should hardly say that for my own judgment. My own impression would be that a special jury does as full justice to a passenger in an humble class of life as to one of their own rank. I have often myself thought that even special juries were misled by considerations of compassion and humanity to a poor man to go beyond the strict line of justice.

1151. Are not special juries generally composed of shopkeepers and persons of that class? —Sometimes that is so in London, but not as a rule, I think; as a rule they belong to a superior class.

1152. But they belong to the class who would be second-class passengers, rather than first, would they not?—I am by no means clear about that; that is rather a difficult question to answer, because some gentlemen, I believe, will travel second-class whom you would expect to travel first.

1153. Mr. *Davison.*] With regard to medical

Mr. *J. Brown*, Q.C., F.G.S.

23 June 1870.

men, I understood the honourable baronet's suggestion to be, that there should be a medical referee, and that neither party should call medical witnesses; did you understand the suggestion to be made in that way?—I am not certain that I understood the suggestion of the honourable Member completely. I had rather supposed that the suggestion was, that the medical referee should hear the statements of the doctors of the party injured, and possibly those of the company.

1154. If a man had enjoyed perfect health up to the time of the accident, possibly the examination by the medical referee under those circumstances might be satisfactory, but if the man happened to have had delicate health it would be essential to him, would it not, for the sake of justice, that his own medical man should be called to show the effect of the particular accident upon his frame?—Absolutely essential; in a large number of cases the most difficult part of the inquiry is, whether the symptoms under which the man is undoubtedly labouring, are due to the accident, or due to some previous ailment.

1155. *Chairman.*] I think that you do not put particular value upon the suggestion that there should be a medical referee?—I think not.

1156. Mr. *Davison.*] I do not know that it matters to companies what kind of juries they have, but special juries are supposed, are they not, to give higher damages than common juries?—Very often.

Mr. James Staats Forbes, called in; and Examined.

Mr. *J. S. Forbes.*

1157. *Chairman.*] You are the General Manager, are you not, of the London, Chatham and Dover Railway?—Yes.

1158. And have been so from the year 1861?—Yes.

1159. Before that time you were one of the managers and superintendents of the Great Western Railway, were you not?—Yes, I was 16 years with that company.

1160. For a certain time you were managing director of the Dutch Rhenish Railway, were you not?—Yes, I was four years there, living in the country and conducting the daily management of that railway.

1161. Part of that line is in Holland, I believe?—Part in Holland and part in Rhenish Prussia.

1162. Can you give the Committee any information either as to the Dutch or to the Prussian law upon the subject?—Yes; I thought it better, as I was coming here, to get the information at first hand, and I will take the liberty of reading to the Committee a note which was written to me by one of the leading advocates in Amsterdam, a gentleman who possibly has had his attention given more fully to the state of the law in different countries than almost any other man I know. It is very concise, and it puts the case very clearly. He says that the state of the law is as follows: "In France, Germany, and in Holland, the railway companies are liable to pay damages for bodily injuries or death caused to passengers and to railway officers. Moreover, if the injuries are caused by negligence, those to whom the fault may be imputed, incur punishment under the criminal law. As to the civil action for damages, this is brought before the ordinary courts of justice. There is no special mode of proceeding in the case of railway accidents, but the action is brought, and the proceedings are the same as in any action for debt and contract. The amount of damages is not fixed by a jury, but by the court. But then it should be remembered that the institution of a jury does not exist in Germany and Holland, and in France only for the trial of criminal cases. In all these countries the liability of the State in working railways is the same as of private companies. The principle on which damages are allotted is nearly the same in these three countries. In France the matter is ruled by the Articles 1382–1384 of the Code Civil, stating that everyone is responsible for damage done by his fault or negligence, and by things that are under his control. This rule of the common French law is applied to railways; in fact, neither in France nor in Germany, nor in this country, railway accidents or the liability of railway companies for accidents are not ruled by a special law; but the common law is applicable. In France and in Holland, any damage done to persons and to goods by carriers and by railways, is to be made good by them, unless they prove that it arose by *vis major*, the contract between the parties being that the persons and the goods shall be carried safely. In Germany, I think that the *onus probandi* is on the other side; so that the party injured must prove some fault or negligence on the part of the railway. This, however, is open to doubt, and I cannot say what opinion prevails at this moment in the German courts. In case of death the Dutch law gives no action for damages but to husband, children, and parents, and only then if they were sustained by the labour or industry of the deceased. The amount of damages is to be in some proportion to, or rather to be fixed, having regard to social position and wants of the party concerned. In fact it is left at least, practically, to a somewhat arbitrary valuation of the court. And so it is in France and Germany too. In France the action is not limited to husband, children, and parents; there is a strong tendency in the jurisprudence of that country to extend the principle of responsibility in civil law; perhaps to make good for the sad deficiency of it in political matters. In Germany the action is granted, not only to widow and children, but generally to heirs. An ordinary mode of assessing damages, is giving an annuity for life to the person who was disabled, or to his widow in case of death." Therefore the Committee will see from that, that the common law of responsibility for negligence applies; but the valuation of life, and the question of damages is left to the court and not to a jury.

1163. Have you any experience of the practical working of the law there?—I am glad to say that my experience is limited, because there were very few accidents; but we had two, one in which a carpenter was killed; and the other, more recently, in which a passenger was killed, and proceedings were taken very much as they would be in England. The actions were tried by the court, and damages were awarded; but my belief is that if those actions had been tried in England under circumstances identically similar, the penalties in both cases would have been much heavier upon the railway companies than they were there.

1164. Do the companies complain of their liability

liability on the continent?—They do complain, in France especially; but I think they feel satisfied that the evil of liability to pay compensation is somewhat mitigated by the fact that the tribunal is one more likely to do justice, and less likely to be influenced by sentiment than a jury would be.

1165. Do you know whether, in estimating the amount of damages, much attention is paid to the degree of negligence on the part of the company, or do they simply consider the extent of the injury inflicted?—I fancy that the criminal law in those countries is very strong indeed upon all persons contributing to accidents by negligence, though the question of damages would not rest very much upon the degree. The penalty for any degree of negligence would fall upon the perpetrator.

1166. The traffic on the London, Chatham, and Dover Railway at the present time is, I presume, very heavy?—Yes, it is one of the heaviest traffics out of London.

1167. Do you work it upon what is called the block system?—Yes; we have from the time the railway was opened throughout to Dover adopted the block system in one of its forms. There are one or two forms of it; we have it in both forms, what is called the absolute block, and what is called the block and bell.

1168. What is your experience of the value of the system?—My experience of the value of it is, that when the circumstances of the traffic are such as on the London, Chatham, and Dover Railway, great frequency of trains, trains running at irregular speeds, stations very close together, and much movement going on, it is, no doubt, a great additional security.

1169. Are there any disadvantages incident to it?—Yes, it is by no means free from disadvantages; and one of the chief disadvantages which I have found in practice is, that it induces the driver and attendants of the train to become careless, and in fact to assume and feel much less responsibility in keeping a good look-out, and being ready to meet emergencies than under the old system.

1170. Do they rely rather upon mechanical aids than upon care and vigilance upon their part?—Yes; they expect, in fact, to have the way shown to them, instead of looking out for it; and we have found that operating so strongly that, in the book of regulations in which the rules for the use of the system of telegraphing are set out, we have found it necessary to call the special attention of all the people concerned to the fact that the system of block signalling does throw the engine-drivers off their guard.

1171. With your experience of it, would you recommend that the Government should exercise authority for the purpose of enforcing the adoption of the block system?—No; I wish to speak with great respect of the public departments who control these matters, but having worked in Prussia and in Holland, and having seen in many parts of Germany the operation of very stringent and minute codes, prepared by the State for carrying on the details of a railway, I am quite satisfied that they do more harm than good. I had peculiar opportunity of considering this question, because in Holland there was no state law on the subject, and we were perfectly free for a good many years; but the surrounding circumstances of the German law on the one side, and the French and Belgian on the other, induced the Government of Holland to consider whether they ought not also to appoint a control department upon railways; and they determined to do it, and amongst other people, I was consulted as to what rules should be laid down for the control of railway companies. I am sorry to say they did not take my advice; they prepared very stringent rules, and they have established on the railways in Holland, as they have in Prussia, inspectors who daily examine and control the working of the line. I found that the result of that was to induce everybody, from the directors and the manager downwards, to frame rules for shifting the responsibility from the shoulders of one on to somebody beneath them. The law provides, amongst other things, for the pecuniary and personal liability of the directors, of the manager, of the engineers, and, in fact, of every man; and under that law they can be imprisoned for negligence, either constructive or actual. Of course the first thing the directors did was to meet together to see how they could frame regulations for carrying on the railway in such a manner as to shift the liability off their shoulders on to that of the managers. Then the manager considered how he could subdivide the responsibility and put it on to the back of the engineer, the permanent way superintendent, and the superintendent of traffic. Those men, again, have devised regulations by which they sought to make liable the drivers, the running foreman, the gangers, and the inspectors on the line and so on, and it ends in this, that the responsibility of the governing body is frittered away, and the control which they exercise over the staff is very seriously interfered with. I should be very sorry to see introduced into England anything which would interfere in that way with the whole machinery of the working of a railway, because such interference is very bad in countries where the traffic is very light, and where the complications in the working of railways are not at all to be compared with the complications in this country; I am quite sure that it would be fatal to the convenience of the public of England; I think it would imperil the safety of a railway if any Government department whatever were to attempt to interfere in the details of railway administration.

1172. You would not put any strain upon the companies compelling them to adopt the block system?—No, I think that the universal adoption of the block system is absolutely unnecessary, because the object for which you require it is that particular posts, which, from the character of the traffic passing over them, the frequency of the trains, or other circumstances require special protection, should be specially protected; but that is not necessary over hundreds and, in point of fact, thousands of miles of railway in England, where the circumstances are not such as to require the block system; there is the danger about its application in this way, that you would be leaning on a broken reed, because it becomes a matter of habit to those signalmen, who are especially appointed to that service, and who in their eight hours or their ten hours are constantly employed, and who are alive and active, because their employment is unceasing, the trains are constantly moving. But if there were intervals of 20 or 25 minutes, or half-an-hour, you would find that those men would relax in vigilance, and neglect the work. We find, oddly enough, as a matter of practice that

Mr. *J. S. Forbes.*

23 June 1870.

accidents take place where, according to theory, you ought to expect them the least.

1173. Can you give us any information about workmen's trains; have you any workmen's trains on the London, Chatham, and Dover line?—Yes; I think our company were the first to accept the obligation, and perhaps it is desirable that I should go a little at length into that subject, because my name has been associated, without my consent, with some statements which have been brought forward to support a proposal for extending the obligation to companies without the consideration for which we accepted it. The London, Chatham, and Dover Company were, as everybody knows, clearing quantities of property in the south of London and through the City. The late Lord Derby, amongst other objects of philanthropy, was greatly concerned for the working people who were disturbed, and he suggested that in those Metropolitan Bills some provision should be made for counteracting the evil which the railway companies were doing. It was suggested to myself, and I had the honour of discussing it with Lord Redesdale, and I pointed out to Lord Redesdale that the companies would no doubt be willing to incur some obligation, but that it must be accompanied by conditions which would limit their liability in case of accident, and would make it perfectly clear what the intention of Parliament was, and would make it perfectly certain that the intention of Parliament should not be abused, and clauses were drawn in our Act with that express view, and they are very explicit. The theory was that we had disturbed a certain number of working people; that they were obliged to remove from the centre of work into the suburban districts, and that the railway companies must, so to speak, leave them in as good a position practically as they had been in before they were disturbed. We did not quite agree with the doctrine, nor do I think it can be established if it were gone into; however, we accepted the obligation, and these were the clauses: "The company shall and they are hereby required, at all times after the opening of their railway to a junction with the Metropolitan Railway, to run a train every morning in the week from their Loughborough Park and Peckham Junction stations to their Ludgate station" (that is 3¼ or 3½ miles), "calling at all intermediate stations, and one train from their Ludgate station to their Loughborough Park and Peckham Junction stations every evening, also calling at intermediate stations (Sundays, Christmas-day, and Good Friday always excepted), at such hours not being later than seven in the morning, or earlier than six in the evening, as may be convenient for artisans, mechanics, and daily labourers (both male and female) residing at or beyond Camberwell, and having business daily in London, at fares not exceeding one penny per passenger for each journey (in addition to the Government duty)." Then there is a proviso, "Provided, in case of any complaint made to the Board of Trade of the hours appointed by the company for such trains, the said Board shall have power to fix and regulate the same from time to time; and also, that if in any continuous period of six months, it shall be found that less than 100 of such passengers shall have been conveyed by each of such trains, the company, on proof of that fact, to the satisfaction of the Board of Trade, may discontinue the running of such trains; but the said Board may at any time order the resumption thereof by the company, if it shall seem to the said Board desirable so to do." Then the next provision is, that tickets were to be issued for a week, and that the company were to have the power of demanding the name and address of the person applying, as well as the name and address of his employer, in order to verify the claim of the applicant to use the ticket. There was a penalty for an abuse of the tickets, and then the 137th section enacts, that, "The liability of the company under any claim to compensation for injury or otherwise, in respect of each passenger travelling with such ticket, as aforesaid, shall be limited to a sum not exceeding 100 *l.*, and the amount of compensation payable in respect of any passenger so injured, shall be determined by an arbitrator to be appointed by the Board of Trade, and not otherwise." I would point out to the Committee that that clause 137, contains the two principles for which the railway companies contend. They are contending, as I understand it, for a limitation of their liability in amount, and they are contending for a tribunal, which tribunal shall be free of the influences which they believe to be operating against them now, not only in the nature of the jury, but in the necessary form of proceeding to get the decision of the jury. That is why those very words were put in, "and not otherwise." As I gave the idea of that clause myself, though not its precise language, I remember to have had that distinctly in my mind, and discussed it at the time with Lord Redesdale, and I told him then that we were anxious, not only to limit our liability, which was a condition for accepting this responsibility, but that if the responsibility did arise, we were anxious to have it settled promptly, and without cost, and that an officer appointed by the Board of Trade was the proper machinery; that we did not want lawyers or courts, because lawyers or courts meant costs. Those are the conditions upon which we have carried on those trains.

1174. Has the practical operation of the clauses been good?—Exceedingly beneficial to the working men; and the company have not narrowed their action upon these clauses to the mere letter; but what was done was this, the moment we had to consider the practical application of these conditions, it was found that one train each way daily, was, in reality, giving nothing, because the working people whom it was intended to benefit were people whose vocation leads them to or from London at different hours of the day; they are subdivided into classes, whose business may require their attendance earlier or later; for instance, there are workmen from the Post Office; the Post Office employ a great number of people, sorters, deliverers, and people of that class, who have to be there a very little after four in the morning. Then there are the bricklayers and masons, and those men who begin business at six in summer and seven in winter. Then there were a large number of men, packers, and people of that class in the wholesale warehouses in the City, who did not want to be in London until an hour later. We ascertained from the men themselves, and from the employers of labour, as near as we could, what hours of arrival would best suit those people, and we fixed our trains accordingly. There are now three, one from Victoria at four in the morning, making the circuit to Ludgate; another at five, and another at six; those three trains just suit the requirements of people whose business is of the nature

nature I have described. In the afternoon we at first limited them to returning by particular trains, but we found that that involved some little hardship upon the men who had to hang about the stations, and we now allow them to return by any train which happens to be starting after half-past four.

1175. Would you have had to pay much more for accidents if there had not been this limitation upon your liability?—Yes; and it is a very singular illustration to my mind of the advantages to railway companies at all events of having a limitation upon their liability, and of having a tribunal which will, as nearly as possible, do absolute justice, and which is not a tribunal of sentiment, for I find that last year we carried no less than 690,000 of those workmen without a claim being made. Since we began we have carried several millions, and we have only had two claims, one of which came to an issue at the Board of Trade; and the other fell through the moment the solicitor was referred to the clauses, and was shown that his client was subject, not only to a limitation of liability, but to the decision of the Board of Trade. I am perfectly satisfied that those 690,000 passengers who travelled with workmen's tickets last year, and in respect to whom we have not had a single claim, would have produced a certain per-centage of claims if they had been travelling under the ordinary conditions, because they have not escaped the ordinary average of pinched fingers, jumping out of the train before it stopped, and tumbles upon the platforms, which are very fruitful of such claims.

1176. What is about the rate per mile which you charge?—We carry them from Victoria to the city, seven miles, for a penny; the obligation being to carry them 3½ miles for a penny.

1177. You carry them at the rate of about one-seventh of a penny per mile?—Yes.

1178. Could you have carried them as cheaply as that if you had not been exonerated from more extensive liability?—No; we should have been reluctant to accept the responsibility with an unlimited liability; we should certainly have been reluctant to accept the responsibility to carry them, unless accompanied by those conditions which make a train pay. That means this, that to run one train in the morning will ensure that that train shall be filled with people to its greatest capacity, and that enables us to ensure such-and-such a receipt upon the train, so that although the individual contribution is very small, the aggregate is sufficient to pay. I find that those trains last year ran 12,700 miles, and they have earned an average of 4*s.* 6*d.* a mile; 4*s.* 6*d.* a mile is rather a low average, but it is not so little that there is not some profit upon that particular transaction. It is not very great, but still there is a profit. But the advocates of the extension of the workmen's train propose two things which are utterly inconsistent with profit, and which are very unjust; they propose, first of all, that you should get rid of the limitation of liability, and then they propose that you should get rid of the conditions which are protective of the interests of the companies in other respects. In fact, that the distance should be extended considerably; that the hours within which those trains run should be extended; in short, that all trains run up to eight or nine o'clock in the morning should be workmen's trains; that the distinction, of artisan mechanic and day labourer should be done away with; that all the working classes indiscriminately should be carried; and, in fact, their proposition worked out means this, that all railway companies running trains within 8 or 10 miles of London should carry by every train up to eight or nine o'clock in the morning every passenger for a penny. That is what the practical outcome of it would be, and that, of course, would make it intolerable. Railway companies must shut up shop upon those terms.

1179. You could not run at a profit at prices of that description?—No; it would be impossible.

1180. Do you mean to recommend that all liability with respect to accident should be done away with, or that you should get rid of the unlimited liability that is now imposed?—The railway companies have had a long negotiation with the Board of Trade recently upon this question of workmen's trains, and they were disinclined to extend the limitation of liability to the trains of companies not at present protected.

1181. To extend the limited liability to everybody passing by the train?—Yes; they said there is no reason why the responsibility with respect to working men should be limited, and they appear to ignore the conditions upon which this concession has been made.

1182. Do they propose to make your liability unlimited?—Yes; they proposed to do away with that limitation.

1183. And to that you object?—Yes, certainly.

1184. You feel that you cannot give the benefit to the public unless this limitation upon your liability were continued?—Yes.

1185. Would you recommend that there should be a limitation of liability generally throughout the country?—Yes; I have thought a good deal of this matter for some years, and it has always struck me as a great anomoly that there should be no relation whatever between the premium paid and the sum assured, for that really is what it comes to.

1186. Do you think that the fares might be generally reduced throughout the country, not fer merely working people, but for the public at large, if the railways were exonerated from the extreme liability to which they are now subject?—Yes; as a practical man, having had to consider this subject for some years, I am sure that the liability to accident, and the large penalties (because it goes much beyond compensation) inflicted upon the companies in case of accident are always considerations in the mind in determining whether you will or will not grant increased facilities to the public.

1187. Would you recommend insurance as being part of the system?—Yes; I think that would be very reasonable indeed to meet the case. I think it would be reasonable that a man should do in respect of his person what he does in respect of his horses or his goods. He should put his own value upon the article up to a reasonable amount.

1188. Sir *H. Selwin-Ibbetson.*] You stated that 4*s.* 6*d.* per train mile is about the amount of those trains; what would be the fair proportion to an ordinary train?—I think on our line we come out at about 5*s.* 9*d.*, taking all classes of trains together, express and others.

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Mr. *J. S. Forbes.*

23 June 1870

1189. Is that the gross or nett?—That is the gross receipt.

1190. The number of passengers you mentioned was 690,000 in last year, was that both ways?— 690,000 journeys.

1191. One-half of that figure probably would be the number of passengers?—Yes.

1192. That is about an average of 1,100 and something a day?—Yes.

1193. And, I think you also said that there have only been two claims from any of those people?—There have been none at all with respect to this particular year. We commenced running those trains in 1865, I think it was, and in the whole of that period we have only had two claims.

1194. Is this part of your system worked also on the block system?—The whole of our system is worked on the block system.

1195. Therefore we may fairly imagine that some part of that diminution of claims arises from the fact that you have had no accidents?—We have been, happily, very exempt from accidents.

1196. I see by the return that only three accidents have happened upon the whole of the line in the last two years, and of those two were from defects in the material, and one was the case of Mr. Jennings getting out of the door?—Yes.

1197. Therefore the block system has preserved, or at least those who advocate the block system may fairly infer that it has, given immunity from accidents to your line?—My opinion is very strong indeed upon that. I think that within a certain radius of London, or, indeed, upon any railway where the traffic has reached a certain quantity, the block system is indispensible, not only for safety, but for economising time, and for a variety of things, conducing to the comfort and convenience of the traffic.

1198. What amount of space do you work your blocks on?—We look upon every station as a block, and every junction as a block, and in the metropolitan area, extending perhaps 12 miles out of London, we may have a block at about every mile, and in some cases it is even nearer.

1199. With regard to length, would you go as far as five miles?—We have a block between stations seven or eight miles apart.

1200. Without any material inconvenience to the working of the line?—There is a good deal of inconvenience when you get the block too long; for instance, we have a block between Rochester and Sole-street, that is, up a bank of one in 80, or at all events one in 100, and it is about six miles, and we find a great deal of inconvenience arising, particularly where you get a passenger train following a goods train, or where you get an express train following an ordinary train, from the difference in pace.

1201. It would be possible, would it not, to work the block system on any line where you could have five miles intervals?—Yes; I think there would not be a great practical difficulty about five miles, but that depends entirely upon the number of trains that you have to pass.

1202. Therefore it is really only a question of the expense of creating a certain number of signal stations?—No doubt there is considerable expense incurred.

1203. The system would be applicable, would it not, to all lines, by creating a certain number of additional stations?—Yes, of course, it is very easy to put up an intermediate block apparatus, and a signal-man.

1204. Then you would give the security of the block system to all those lines?—Yes, in that case.

1205. With regard to what you stated about State interference being very objectionable on Continental lines, I suppose that the objections arise principally from their entering into all the minor details, such as the codes of rules for the working of the trains?—Yes; they enter very minutely into the codes, into the hours of labour, and almost into the selection of the people.

1206. That would hardly be contemplated in what the right honourable Chairman suggested with respect to power being given to the Board of Trade to enforce the adoption of some improvement, or some new system of working the line which had been constantly recommended by experienced people?—But I think that that is just where the Board of Trade would get into a great difficulty; because, take as an illustration the question (and one may as well ventilate it as a very good illustration of this position) of communication between the driver and the guard. There has been legislation with regard to that subject. I was the chairman of the committee of the Clearing House which inquired into the inventions for securing it, and I drafted the report of the railway companies upon it. We did not adopt any system, because none of us could agree that any one of those inventions would effect the object which we then wished to effect. Then Parliament, in its wisdom, says, "Well, never mind; you must do this, and you must do it upon a principle which shall be satisfactory to the Board of Trade." Now, what is the result of this? The Board of Trade will approve of anything almost that we ask them to approve of; and I will undertake to say now, and I speak, in order, if you please, that it may be challenged, that the public, at this moment, are covered by no practical security, and that no single casualty or risk to which they were subjected before are they saved from now; it is utterly useless in England, and it is utterly useless in France.

1207. Are you referring to the system which has been adopted so recently under an Act of Parliament?—Any one of the systems.

1208. Do you mean the telegraph system, which is very common on Continental lines, and do you believe that that is inoperative?—I say that it is utterly useless, practically. Then, if you come to the question of the block system; the weight of trains; break power; and all those questions, one does not analyse the reports of the inspectors, or try to make them consistent the one with the other; but we do know, as a matter of fact, that the Board of Trade officers (and I desire to speak with the greatest respect of them, because they are men of eminent capacity and of great experience), do not agree amongst themselves very much upon any one thing. If you were to ask them to-morrow, "What is the best block system?" they would not agree; and they would not agree if you were to ask them, "What is the best telegraph system, and the best communication between passenger and guard, or the best break system?"

1209. Or the system of locking signals and points which they are most of them agreed on?—They are very strong indeed upon what they call the locking apparatus, which is a source of continual, what shall I call it; well, it is a trap for the

the railway companies; we have more accidents, not bad accidents, but more trains getting off the rails now in our yards under the locking apparatus, than we had under the old system of pointsmen.

1210. Practically, you find that the result of locking points and signals is not beneficial as a remedy for accidents?—It is not a certain cure for an evil inseparable from the working of complicated railway stations, nor can any be discovered.

1211. Has it diminished at all the accidents which used to arise and were reported on from the defect of the men in charge having two actions, if I may so call it?—No, I have just said that I thought that the number of engines and carriages getting off at the points now (and we have some very bad stations to work upon the London, Chatham, and Dover line) is certainly as great, if not greater, than under the old system of pointsmen.

1212. With regard to the accident to Mr. Jennings, I see that the inspector on that occasion recommended the adoption of the system of which you are perfectly well aware abroad, of a hasp being applied below the handle of the door; do you think that that system would be beneficial if applied in England?—I think it would be beneficial to the railway companies, because I think it would tend to stop that evil from which the public suffer greatly; and the railway companies suffer greatly and very unjustly, namely, the disposition to leave the train before it stops. That is a very good illustration of the law of compensation. We have taken the greatest pains to put a stop to that practice; we issued notices to the public and warned them in every way and begged them to desist, but then they would not and did not; and we thought that some other measures must be taken. Then we gave an order that in every case in which a passenger jumped from a train before it was stopped (they are so numerous that you cannot deal with all), but in every aggravated case the man should be summoned before a magistrate; and we summoned a good many. But we found at last that the idea got possession of the mind of the magistrates, that this was a race between the railway company and the man as to which should make out a case of liability or non-liability. We were absolutely discredited, and gave up taking those cases before the magistrates, because we found that the magistrates thought that we brought men there, not to punish them for an offence against the bye-laws, but to protect ourselves from possible actions.

1213. You think that, adopting the system of a hasp would materially check the evils complained of, of people getting out of the trains before they stopped at the station?—Yes, I think it would be beneficial to the railway companies. I think it would check that evil; but I think it would annoy the public immensely.

1214. Do you see any difficulty in adopting it, and therefore leaving both doors unlocked, and although passengers might be apt to get out on the wrong side of the train, would not it be in itself a check upon their doing so?—Yes, I think it would add to the safety of the passengers.

1215. On the Continent universally, I believe, they leave the doors unlocked?—Yes.

1216. And there is no return that I have had before me showing any amount of accidents arising from that being the case?—It is so; but I would remind you that on the Continent there is a very stringent law which is applied very promptly, and without ceremony or favour, to people who get out on the wrong side.

1217. A law that might very usefully be applied in England?—Yes, it would be very useful if the legislation in England were a little more in the direction of controlling passengers in their own interests. A railway man always gives opinions of this sort under some suspicion that he has an interest to serve, but I say that, notwithstanding that suspicion, probably the best thing that Parliament could do, or that the Board of Trade could do, would be to see how passengers could be protected from the results of their own gross negligence, and if the law of England were applied as stringently as it is certainly in France and Germany, you would have this class of railway accidents greatly diminished in number.

1218. In that view you would be rather inclined, would you not, to give the Board of Trade power to legislate?—I think I should not object to their imposing reasonable restrictions upon the public in their own interest.

1219. As to the system of continuous breaks, have you ever tried it on your line of railway?—No, we have never had it on our line. We have very powerful breaks; our breaks were specially built; they are six-wheeled breaks, and they are loaded and very heavy, and very effectual; but we find a difficulty in continuous breaks from the constant necessity of breaking up trains at the junctions, and we have a great many junctions on our system.

1220. Of course it materially increases the safety of a train, and therefore of the passengers, if you have a continuous break, and consequently the power of applying break power to each carriage?—I am not an engineer, I am only a manager, but I venture sometimes to question those theories about continuous break power, although I know that the weight of the Board of Trade is against me upon that point.

1221. Many accidents, I think, are shown by their returns, at least to arise from an inability on the part of those in charge of trains to check their speed within a certain distance, and that they do not see the danger till they are so close upon it, or within so many hundred yards of it, that they cannot, from their deficient break power, arrest the train that they are in charge of?—Yes, no doubt that is the allegation.

1222. Therefore, it seems to the public rather to point towards the necessity of some increased power of that sort, if it could be found?—Yes; if the theory is established that that is so in fact, and no doubt it is so to some extent; because, to say that a train running without a break would be more safe than a train with a break, would be to state an absurdity.

1223. Therefore, if you increase that break power you increase the safety?—I do not know that. I have known cases in which the only possible reason that could be assigned for carriages getting off the line in a running train, was the too sudden application of the breaks.

1224. The continuous break would rather meet that, would it not, because it would be applied gradually to each carriage?—Having considered the question of the continuous break, I do not think that the advantages of it, in the interest of

Mr. *J. S. Forbes.*

23 June 1870.

the public, are such as would render it desirable that they should be adopted compulsorily.

1225. All those different inventions have been constantly recommended, not only by the officials, but by the Board of Trade; and if they recommend so many inventions that are not adopted by the railways generally, that strengthens one's idea that some further authority should be given to the Board of Trade to enforce its opinions; accidents constantly happen, and recommendations of the officials are constantly put in print, stating that those accidents arise from certain defects in the working of the lines; and they even go so far as to state that their recommendations are useless, because they are never carried out; and the question then arises in my mind whether a central power might not be entrusted to the Board of Trade, giving them the option, if such constant reports come before them, of laying on the Table of the House, for instance, a resolution authorising them to enforce them upon the particular company in question?—Will you allow me to put this to you: I have attended a good many Board of Trade inquiries, and as I said before, I desire to speak with the greatest respect of those gentlemen; they have a very onerous duty to perform; they are, so to speak, under the public eye, and in cases of bad accidents they are generally reminded by the Press of what their duty to the public is. You see they come and have to inquire into the cause of the accident; that is what they have to find out, and I have observed, and in one or two cases strikingly so, that they arrive at the cause almost before they have examined the witnesses, and that the whole of their examination led up to this, to prove upon examination that their foregone conclusion was the cause. Now, you see when they make a report founded upon that kind of thing, the reason why the railway companies do not agree with them is, that they do not believe that that is the cause, and they do not believe that the remedy proposed is a remedy.

1226. What course do the railway companies adopt on receiving one of those recommendations from the Board of Trade?—They are always read at the Board; the engineer or the manager, or the parties concerned are had in, and they have to give their explanation; and I believe that it generally ends in this, that the letter is acknowledged. Very often the railway companies do not agree with the conclusions; but they say, "Well, what is the good of our entering into a discussion with the Board of Trade; it is a public department; these are public officers; they are impartial people; they have no object to serve; they stand much better before the public, in an argument of this sort than we shall; we are on our trial; we are people who have to defend our position; these men have all the advantages of public position, and impartiality; therefore, although we do not agree with them, and we do not think they are right, what is the good of getting into a discussion with them?" Therefore, the letter is generally acknowledged.

1227. How do you arrive at the conclusion that the inspectors of the Board of Trade have a foregone conclusion before they hear the evidence?—I ground that opinion upon my own experience of cases in which I saw, very early after the commencement of the inquiry, that the inspector would only have it that the accident had arisen in such-and-such a way, from such-and-such causes; and that idea has made itself manifest in all the questions put, and in all the suggestions to the witnesses, and in the report; I myself having had the advantage of hearing it all, being by no means sure that the inspector was right in his conclusion, and being quite sure that the answers put to leading questions (because that is what it amounted to) did not justify the conclusion.

1228. With regard to the rules that are laid down, the inspectors have also constantly reported that those rules are very seldom enforced by the companies or their servants; that they have a very good code of rules, but that they find, from their examination of the witnesses at the time, that those rules are never practically enforced, and are neglected; is that the case?—No; I should say that it was a very unwise assertion, because it is contrary to the fact.

1229. You acknowledge that that leads the public to think that they are not fairly treated when they are travelling under a special code of rules which insures safety, but which are systematically neglected by the servants of the companies?—I must say that I was exceedingly pained to find that assertion made by a gentleman of great authority, on an occasion of great gravity; and I venture, as a railway manager, to protest against it *in toto*, and to say that there is no justification for such a statement from such a man.

1230. We have at the same time, on many occasions, evidence tha engine-drivers, as a body, are constantly in the habit of running past signals at which they should stop, either from carelessness or from their having so generally travelled with security, that they neglect them?—Yes; but my contention is not that the rules are not broken, but that it is not the fact that the companies wink at the breaking of the rules, because that was the conclusion.

1231. Do you think that they ought to wink at the breaking of rules made for the purpose of insuring safety?—No, I think that they ought to punish the breach of them; but I want to put you in this position. You see, theory is one thing, and practice is another. An engine-driver breaks a rule, and you punish him, you fine him 5*l.* or 10*l.*, or you may dismiss him; but suppose you do dismiss him, suppose you dismiss a signalman at a box of great importance, as a matter of fact, you replace an experienced and good man by somebody who is, upon the theory of chances, more open to-morrow to the very same risk; it is the nature of the punishment that you ought to apply which is the difficulty in these cases. It is not that the man ought not to be punished, but it is the nature of the punishment which is the difficulty.

1232. What punishment would you suggest?—What penalty would you put upon an engine driver greater than the chance of death, for instance, and that does not restrain him.

1233. We know that that really never restricts any man who is accustomed to risk every day of his life?—I am afraid that you cannot get beyond this, that in the very nature of the case there must be casualty, and we find very often it is a very difficult position for a man who has to deal with those things practically. You have to punish a man who, by a momentary neglect or want of thought, after years of good conduct, and after years of good service and great care in the interest of the public, has committed some offence.

1234. At

1234. At the same time railway companies, by enforcing their code of rules, would by degrees make their servants better servants surely, instead of by neglecting to enforce them, as it seems from that account they systematically do?—I must again take occasion to say that it is not systematically done, and it is a matter to me of great pain, because I think that statement must have been thoughtlessly put forward; but perhaps you will just allow me to qualify it in this way: you must entrust all those servants, from the highest to the lowest, with a certain amount of discretion. I defy you, or any public department, to draw rules so precise as to admit of a definition even of what is to arise or may arise upon a particular event which interrupts the regular flow of traffic; and almost all of the accidents which one reads of, and many bad ones, arise from this, that a man has got a rule, and in the application of the rule in the very nature of the case there is a certain amount of discretion, and he does not exercise his discretion wisely; but against that you have got the other position, that you cannot make rules sufficiently minute to meet everything that arises, and therefore you have got the choice of one thing or another, you must either make rules which are impracticable, or you must give discretion.

1235. Mr. *Winn.*] You said, did you not, that you think the block system, as a whole, is a desirable one to adopt?—Yes; you cannot, in my opinion, draw any hard and fast rule about it. I think that the block system is a system which adds to the safety and to the facilities of the working of trains where they are numerous, where there are frequent junctions, and where the traffic is very heavy.

1236. You say that the objection to it consists in its having a tendency to make the drivers careless?—Yes, there is no doubt; and I think it must be admitted by all practical railway men, that one very great safeguard in the conduct of a train is the vigilence of the men who drive it, and the block system does induce laxity on the part of drivers.

1237. Have you any instances on your own line where drivers, in consequence of the block system existing, have been careless?—Yes; I have no hesitation in saying that my experience is, that the complaints against drivers within the last few years have been much more frequent under the block system than they were under the old system.

1238. How long is it since you have adopted the block system?—Ever since we opened the railway to Dover; about 1862 or 1863.

1239. Could not a system of fines be enforced when those cases are brought before you?—We always fine them for those breaches of discipline, We look upon running past a signal, for instance, as a very serious matter, and we generally fine them. The drivers, the bulk of them, are men of excellent character; many of them are not only old servants of our company, but some I knew 25 years ago on the Great Western, and they do not hesitate to admit their fault, and say, "We are very sorry we have committed a fault," and 5 *l.* is not an uncommon penalty.

1240. Have you had any accident upon your line which you can attribute to the existence of the block system?—Yes, we have had accidents.

1241. What accidents have you had?—This class of accident: the block system depends upon the man at B, who is in advance of A, giving the signal to A; then, occasionally, you find that an engine runs past A, and pitches into something at B; then immediately there is a conflict of testimony. The man at A says, "Well, the block was not on;" and the man at B says, "Yes, but I know I put it on." Those cases are not unfrequent.

1242. Ought not they to telegraph to inform you whether the block is on or not?—They ought to do so; and the theory is that it is to be done by telegraph, and the needle at A is depressed by the man at B. It is the business of the man at A, whose needle is depressed, to keep back the train by signal; but the signal is all right, and the engine driver runs past it, and then the man at A tells you, "I left the signal down, because the needle was not depressed; I had no block on;" but the man at B says, "I put the block on." There is no possibility that we have yet discovered of fixing the liability upon the one or the other of those men.

1243. Can you tell us of any particular accident that happened in consequence of the existence of the block system?—I think there was one very recently, upon which the inspector reported on, on our railway near London.

1244. Sir *H. Selwin-Ibbetson.*] There are only three reported in the last two years?—I have a recollection distinctly of one such accident, and I should be very happy to furnish the Committee with the details. I almost think that the inspector made a report upon it.

1245. Then it must have happened during this last year, since that return has been in our hands?—If you will allow me I will hand in the details; but we have had several cases of that kind where no accident has resulted. There was one case in which there was a pitch in, as it is called; that is to say, one train ran into another; but I have several cases in which a train has been allowed to pass a point when it ought not to have passed, and where nothing has resulted, but the fact that there was a breach of discipline, and there might have been an accident.

1246. Mr. *Winn.*] With regard to workmen's trains, I think you said that the workmen's trains that you have run have answered the purposes of the company?—Yes, they have.

1247. And you say you have not been altogether free from accidents with those trains?—We have had two accidents; one was a labourer, or a carpenter I think he was, who had travelled by the train, and had gone downstairs at the Ludgate Hill Station, and in passing through the booking office to get out, he slipped upon a brass ventilator which was put into the floor. His solicitor wrote us the usual letter; I think it was said to be injury to the spine, or something of that sort. We reminded the solicitor that the man was a workman, that the conditions of the workmen's travelling were so-and-so, and that we should be very happy indeed to submit the matter at once to the Board of Trade. He did not much like that. However, he did submit it to Colonel Yolland, and Colonel Yolland, within a day or two, made inquiry, awarded him nothing; he held the company to be free. In the other case I do not know whether it was a man that stumbled or a female, but we had a lawyer's letter, and in that case we sent a reply that the matter was a question to be decided by the Board of Trade, and the lawyer did not go on; he did not think it worth while to proceed.

1248. Would you like the Board of Trade having

Mr. *J. S. Forbes.* 23 June 1870.

having jurisdiction over all accidents, and being the authority to decide upon cases of compensation?—I think that some public department might very well settle those matters. I am sure that that would put an end to the abuses of the present system, because it has become a very sad trade, this legal prosecution of claims of this sort.

1249. Do you mean to say that the Board of Trade should decide upon the liability, or the non-liability, or upon the compensation?—I think that the principle that we contend for is, that the liability of the company should be limited. Of course in case of death there is no question about how much to pay, because the limited amount, whatever it was, would have to be paid, but within that there might be very many gradations of how much might be fair within 100 *l.*, or 500 *l.*, or 5,000 *l.*, whatever it was, and I think the Board of Trade might very easily appoint a tribunal under which that question should be settled speedily and cheaply.

1250. You stated, did you not, that there has been no serious accident to workmen's trains?—No; happily there have been very few accidents.

1251. Can you say at all the difference between what you have actually paid in damages and what those damages would have amounted to if those workmen's trains had not been limited in liability?—The only information which I can give upon that is, that dealing with the averages, I feel satisfied that, if those 690,000 journeys had been made by the same people, as ordinary passengers in ordinary trains, we should have had more claims upon us, and we should then have paid some considerable per-centage upon the receipts.

1252. Mr. *Denison.*] Had you only two accidents, or only two claims?—Only two claims.

1253. Mr. *Winn.*] You said that you would desire to put some legal restrictions upon passengers, something in the way that they practice abroad with a view to their own safety; can you mention any particular mode in which you would desire to put a legal restriction upon passengers?—I think the most fruitful source of small accidents and small claims, broken legs, let us say, and contusions, and occasionally death (Mr. Jennings was a very sad illustration), is the disposition which numbers of people have to get out of a train the moment it approaches a platform, and before it has stopped. Anybody who chooses to stand at any Metropolitan Railway station, not a railway manager, but an observer, and watch the trains come in, will see that people habitually throw the doors wide open the moment a train approaches the end of the platform, regardless of the safety of the people standing on the platform, and out they jump, and very often fall. There is a law which says that such a person is to be fined 40 *s.*, but it is inapplicable.

1254. Is there any other way in which you would put a restriction on the passengers?—I think I would make a penalty for leaving a carriage on the wrong side, because that is a fruitful source of accident.

1255. Any other?—Those are the two chief causes of accident.

1256. You have said, have you not, that it is unwise to dismiss a signalman for not working the signals correctly?—I think you must qualify that a little.

1257. But is it not the case that trains constantly pass a station very considerably after the time that they are due?—No doubt of it.

1258. Are you in the habit of fining the persons who are to blame for the trains being late?—If you found the lateness of a train habitual, and to result from the negligence of the train attendants, you would punish them; I should remove, for instance, a guard; my method of proceeding is this, I find a complaint against a particular train, that complaint is investigated; we keep an account of the running of every train, when it starts, and when it arrives at every station, how long it stays, and when it starts again, and so on; that brings out the aggregate detention, and the aggregate late arrival; you have the guard up, and say to him, "How is this?" And if there is one station prominent for those delays, you have the station master up, and you say, "This train must be got up to time, do you want more time?" "No," he says, "we think, perhaps, we may get along." "Very well, we must have it up to time, and if you cannot do it somebody else can." You generally find if you make a dead set at a train in that way, that by degrees you get it to work to time, or if you cannot get it to work to time, in preparing the next time bill, you give it a little more time; That you can control, but you cannot control the public. There again, everybody conversant with the English as compared with the foreign system, must know the very stringent regulations under which passengers are put abroad with respect to being in time. All those are operative causes, and what is more serious, they are operative causes upon accidents, because a great many accidents at stations arise from the hurry consequent upon everybody coming at the last moment.

1259. The guard reports, does he not, the arrival of the trains at each station, and the hour at which they have left each station?—Yes.

1260. And the station master or clerk in charge reports as well?—Yes, they both report, and they have to give an explanation if there is an unusual detention why it is. Supposing you have a county Member driving up at the last moment with his lady and family, and his boxes of all sorts, with two minutes to do that, which he ought to have given a quarter of an hour for, what can you do?

1261. Is it the practice of companies to take notice of these irregularities, or is it exceptional when they do?—I will not say as to other companies, I can only speak for myself, both on the Great Western and the London, Chatham, and Dover. It is a great part of one's daily labour to see that the service is going on properly; we have a regular establishment upon every railway, who devote themselves to nothing else but checking these matters, and the amount of paper and returns and correspondence upon that very subject in connection with every train, would probably startle the honourable Member if he were to see it.

1262. Is that general on all railways as well as on yours?—I am quite certain about its being on the Great Western, and I apprehend upon every railway.

1263. Mr. *Denison.*] You have been in America and in Canada, have you not?—Yes.

1264. Have you any knowledge of the law of liability of railway companies there?—Yes; in one or two of the States, I think New York and Massachussetts,

Massachusetts, they have limited the liability to 5,000 dollars in case of death or accident.

1265. How is that compensation awarded; is it by the instrumentality of a judge and jury?—By a judge I almost think, but I am not very clear upon that part of the subject.

1266. I suppose you are of opinion, as well as other railway managers, that if the maximum compensation were pitched very high, railway companies would be in a worse condition under the alteration of the law than they would be in the present state of things?—Yes; I think that a gentleman much more competent to give an accurate opinion than myself, Mr. Baron Martin, shadowed out that difficulty. There would be a disposition certainly, on the part of a jury, to take a round sum and to give it, but I should not fear that very much upon the part of a judge. I think a judge would look at the circumstances, and would do what is reasonable.

1267. You have said that on the Continent there is a very much stricter law as regards the travelling of passengers; can you tell us whether, on the Continent, the railway companies have the power of apprehension as well as of summons; in England, if a passenger contravenes a bye-law, all you can do is to summon him, after getting his name and address; you have no power of detention?—There is the power of detention abroad; in Germany and in Holland especially you have on the stations either the police of the town itself, or of the State, or you have your own officers authorised to apprehend; and they do without ceremony take people at once into custody, and prosecute them at law.

1268. But is it not the fact, that the difficulty of getting at a man who has contravened a bye-law in England, through the instrumentality of a mere magistrate's summons, does operate to prevent railway companies from enforcing penalties?—First of all, it is a very common thing I am sorry to say, that people who are challenged with an offence, scruple very little about giving a false address; you have sent out a summons, and you find that Mr. Smith does not live there. Occasionally, having some suspicion in the matter, if you can afford an officer for that purpose, he follows those people and verifies the address. But the whole procedure has been so awkward, and has been so unfavourably received by the magistrates, that we have practically given up summoning people for those offences at stations, such as getting into trains in motion, or getting out of them.

1269. You are distinctly of opinion that the British public would not be in favour of railway companies having the power of absolute detention on the occasion of breaking the bye-laws?—The British public are exceedingly sensitive to the liberty of the subject, undoubtedly so; the practical result is that you cannot deal with them.

1270. On the Continent the proportion per day of trains to passengers is of course very largely in diminution of anything that you have in this country, is it not?—Enormously so; of course some French railways have a very heavy traffic, but as a rule in Germany and in Prussia, the intervals at which trains travel are much longer, and the receipts per train mile are very much greater. I need hardly tell you, that with stringent rules for getting people to time, having plenty of time at stations to deal with the traffic, and carrying it at long intervals of time, you reduce the risk not only in the exact proportion of the number, but in a much greater ratio; something like the squares of the number.

1271. It is obvious that what may be good and practicable on the Continent would be impracticable in this country?—The fact is we have been driven foolishly by competition to concede to the public in England such facilities, that it would be impossible to work the traffic under the same kind of restrictions as are imposed upon the Continent.

1272. Take the ordinary restriction of not allowing a passenger to enter a station after a certain period of time; in the tremendous competition which exists on all the great lines of railway in England, a passenger who was turned back from a railway station before the train had actually left it, would probably send you an angry letter to say that he would no longer go by your line, but would go somewhere else where greater facility was shown?—Of course any rule which you impose on the public in the interest of their own safety, if it interfere in the slightest degree with any man's appreciation of his own convenience, is looked upon as a nuisance, and is disclaimed against. I will illustrate that by one instance, with which I dare say some honourable Members are familiar. On the Metropolitan Railway running under London they have found it necessary, the moment a train comes in, to lock the door giving ingress to the platform, and why? because when the doors were left open people rushed downstairs pell mell and across the platform, and rushed into the carriages utterly regardless of their own safety, or the safety of the people who were just leaving the train and crossing the platform. I myself have repeatedly seen people cannoned one against another and up against the train from that cause. I know that their locking the gate is a matter of serious complaint on the part of people. Nothing can be more irritating, if you are going westward, than to find the gate just shut in your face. You say, what a scandal this is, you yourself being solely to blame, because you ought to be in time, and the company are not thanked for taking the precaution.

1273. Sir *H. Selwin-Ibbetson.*] Would not that cure itself in time?—No, never.

1274. Mr. *Sherriff.*] Do you not think that it rather gets worse?—Yes; I think it rather gets worse.

1275. Mr. *Denison.*] You have suggested that the continental plan of having hasps to the doors might with advantage be adopted in England; do you think that locking trains in the Metropolitan district by a hasp would be workable where the average stoppage of a train is less than a minute at each station?—No; I qualified my answer by saying that it would add to the safety of the public, but I am sure it would not add to the convenience of the public, because the detention of trains then must necessarily be considerably greater.

1276. Either the detention would be greater or those hasps would be left unused on the Metropolitan district?—Yes; in all those things I claim credit for this, and I hope it may be accorded to one. One considers, not what is best upon one special point in working a railway, but what is best, looking at all the things with which you have got to deal. Having in view the advantages and disadvantages you say. Now I know that locking this gate is a nuisance, and there will be a great row about it, and people will be dissatisfied, but I know that that is better than letting

Mr. *J. S. Forbes.*

23 June 1870.

letting them run and cannon against each other, and hurt each other upon the platform; you cannot help feeling that it is an inconvenience. And so with the hasp upon the carriages; if you are going about London, these repeated stoppages in performing a journey of a few miles, must take a great deal of time, and all that you can do to limit the time increases the convenience to the public; after all, it is a matter of degree, and you have to weigh anything which leads to detention as against some fancied security which it may give.

1277. There is an answer which you gave to the honourable Baronet which I did not quite understand, with regard to the impracticability of the block system at distances of five miles. I did not catch the drift of your answer, and would you be so kind as to repeat it?—What I said was, that it is practicable, of course, but I think that at distances of as much as five miles it would be inconvenient, as resulting in delays to the trains.

1278. Had your answer reference wholly to the Metropolitan district?—No, beyond the district; in the Metropolitan district, of course, an interval of five miles would be impossible.

1279. Sir *H. Selwin-Ibbetson.*] At this moment you have, I understand you to say, an interval of even seven miles on a part of your line beyond that district?—Yes, that is outside the Metropolitan district.

1280. Is it working satisfactorily?—It is working satisfactorily, qualified by occasional delays to trains following one another.

1281. If seven miles could be worked without any great inconvenience, would not the natural inference be that five miles could be worked with less inconvenience?—The inconvenience, if it were five miles, would be reduced, because, as the distance increases, the chances of inconvenience become greater.

1282. Mr. *Denison.*] As to workmen's trains, I suppose their extension to a larger radius, where the population is not so great, might not prove remunerative, though it does happen to be remunerative within the radius which you have mentioned to the Committee?—That is perfectly certain, because the receipts per train mile worked out from any centre in London vary for every mile and vary with the density of the population. You may have, for instance, from Ludgate to the "Elephant and Castle," which is the fact, something about 450 *l.* or 460 *l.* a mile a week; then the next circle for a mile or two you have 400 *l.*, and it keeps diminishing as the distance of the circle from the centre increases. In fact it is in proportion to the density of the population, and therefore a train running four miles out of London at a penny, may be sufficiently filled with people to make it remunerative, but for the next four miles it would have so few people as to be a positive loss.

1283. Have you formed any estimate of the minimum number of passengers per train or per day that would make it remunerative to extend the workmen's trains to any further station?—I think you must look for a receipt, but we are satisfied on the whole with this 4*s.* 6*d.* per train mile, because we have accepted the obligation, and because there are conditions attached to it which on the whole make it pay; but I should not be satisfied with 4*s.* 6*d.* per train mile beyond the metropolis, certainly, or in the absence of such conditions.

1284. Your answer scarcely meets my question; the endeavour is to extend the radius of workmen's trains, and what I wished to arrive at was, whether you had formed any estimate of the number of those passengers, per train or per day, that would induce you to extend workmen's trains to a further station?—I find that we have had 405 passengers per train in this Metropolitan area. It is seven miles from Victoria to Ludgate, and the whole of that seven miles traverses a district within a certain radius of the centre of London, you must have an equal number of passengers outside that to produce the same earning per train mile. In fact you must have a great many more passengers if you diminish the rate, because if you take 1 *d.* to go 10 miles, it is much less per mile than 1 *d.* to go four miles: therefore you want a much larger number of passengers to produce the same result. And if you were to do this by extending the area to what I have heard talked of, eight, or nine, or ten miles; you would be diluting the rate to such a figure, four or five miles out of London, as to make it impossible for a train to carry enough people at that rate to pay the working expenses.

1285. I think you attribute the paucity of claims for compensation arising out of those workmen's trains directly to the fact of the limitation of the liability; might not one reason of the paucity of claims be owing to the inability of professional men to recover their large bills of costs?—Yes; not only to recover them, but to proceed with the case at all they must go to the Board of Trade.

1286. Mr. *Davison.*] Your company and the Metropolitan, I think, are the only two who have that law of limited compensation as regards the sum to be paid to workmen?—I am not sure whether it has been extended to any third company.

1287. Do you know that it was extended, for instance, to the South Eastern Compan y by the decision of a Committee of the other House?—I do not know that. I think it has been extended by a Bill which has been just passed through the House of Lords to the Metropolitan District Company, but I do not know as to the South Eastern Company.

1288. Mr. *Plunket.*] Do not railway companies in this country complain quite as much of the amounts which they have to pay for attorneys and doctors as of the actual amount of damages which are found against them?—I think that that is a state of the case which may be put forward as one of our chief grievances.

1289. Is that grievance felt abroad much?—No; the process abroad is much more rapid and much less expensive.

1290. Can you tell us what the process is, in that respect, abroad?—First of all, the lawyers are indifferently well paid there; you can get your law done for a very small cost, and you do not want the machinery of witnesses which you have in this country, because you have got to take such evidence before a judge as will satisfy the mind of a judge; the judge will only listen to facts; whereas, a man who has to conduct a case before a jury knows that the facts want embellishment; this leads him to call a variety of evidence which is not at all necessary, and which would have no influence upon a judge. I have some illustrations of a matter which I do not think previous witnesses have dwelt upon with quite the importance that it demands, and that

Mr. *J. S. Forbes.*

23 June 1870.

that is the enormous penalties inflicted upon railway companies in defending two classes of claims; first of all, claims which are utterly fictitious and fradulent; and in the next place, claims which represent small injuries upon which the evidence is very conflicting, where the damage is very slight, but where the costs are very large. I think I might illustrate that by the case of Colmer and Wife, a thing which took place very recently, to show rather the absurdity of the machinery. This was a case of a woman who took a ticket from one of our stations to a station on the Metropolitan Railway. She went, I think, from Walworth-road to King's Cross, and she travelled by our railway safely to Farringdon-street. At Farringdon-street, in the course of business, she had to change carriages to get into the Metropolitan train; but the Metropolitan Company have an arrangement under which the Great Western trains passing over that railway are bound to carry their local passengers. This lady at Farringdon-street got into a Great Western carriage to go to King's Cross, and in getting in at Farringdon-street, the attendant slammed the door on her thumb and injured her. She employed a solicitor, who brought his action against the Metropolitan Company; it went up to trial, and the time of the court was occupied, and it was only when it came before one of the learned judges, that he non-suited Colmer and wife, upon the ground that they had gone against the wrong parties. Then they had to consider who really was liable. It was a ticket issued on the London, Chatham, and Dover Railway; but the lady got into a Great Western train, and a Great Western guard slammed the door upon her finger, but in a Metropolitan Station; and it ended in Colmer and Wife going against the London, Chatham, and Dover Company. We defended it; and the jury vacillated a long time; it took them some time to make up their minds, but they did give Mr. Colmer 40*s.* for an injury inflicted, not by us, but by a Great Western guard in a Metropolitan station; and we had the satisfaction of paying 40*s.* fine and 220 *l.* costs. There is also the case of Sarah Bridger, who brought an action against the company; this is not the class of case where what they call exemplary damages were gone for, where there is a good deal of public feeling whipped up by the papers, where people are badly injured, and have to be compensated by large penalties; but this is one of a class of cases arising every day. I have scarcely a day, certainly no week, in my office in which I do not receive applications founded upon this sort of thing: "I got out of the train and fell down; the train moved on just as I was on the step, and I had a fall;" and those are very often accompanied by a lawyer's letter and a claim for costs. In the case of Sarah Bridger, to which I have alluded, she brought an action in June 1868 to recover large damages for very serious injuries sustained while she was alighting from a carriage. Of course she tells the usual story; the train was in motion after having stopped as she was alighting. The action was tried before Lord Chief Baron Kelly and a special jury. We made out our case, and the lady was non-suited; but we had to pay all our own costs, as she had no effects. We had four cases of that sort in one year, two of them being cases of the grossest immorality and attempts to defraud. In one of them, I am glad to say, we succeeded in bringing home to the man, who was reputed to be a highly respectable man, a charge of perjury, and he got seven years' penal servitude. One of those cases is rather an amusing one. "Henry Septimus Wardale, in September 1868, claimed compensation for personal injuries alleged to have been sustained at the Beckenham Station, by his being violently thrown against the side of a carriage by a sudden movement of the train while he was in the act of entering it. No complaint was made by any other passenger at the time or afterwards, and the company's officials were positive in their statement, that nothing happened that could have caused any shock to, or sudden movement of, the train Compensation was refused, and an action was brought. Strict inquiries were at once set on foot as to the plaintiff's character and position. He described himself as an accountant, but it was ascertained that he was acting as a waiter at a night house in the neighbourhood of Leicester-square. It also appeared that he had been bankrupt; that when lately a servant in one of the clubs in London he had purloined property amounting to nearly 100 *l.*, which a guarantee society paid for him; that subsequently he had robbed an employer of a considerable sum of money, only escaping prosecution on account of the tradesman's disinclination to trouble his customer's to come forward and give the necessary evidence against him; that he had suffered imprisonment for theft, and had been guilty of various acts of dishonesty, proving him to be a common swindler. It further appeared that he had been several times in the company of a surgeon residing in his own immediate neighbourhood after the alleged accident, and had never mentioned to him that he had sustained any injury on the railway. The case was tried at Westminster Hall before a special jury, who gave their verdict for the company; but it will at once be seen "that this result was only secured by the company being enabled, at great trouble and expense, to furnish counsel with sufficient materials for cross-examination of the plaintiff to shake his credit in the witness box, and prove him to be a person utterly unworthy of belief. It was necessary to supœna and have in court as witnesses the persons whom he had defrauded, so that he dare not deny what was alleged against him. Had this course not been adopted there would have been great risk of his obtaining damages, as a surgeon (misled, it is to be hoped, by his statement), gave evidence that he had sustained an injury which produced concussion of the spine, and other injuries. The company, of course, have never recovered any costs. Another case is that of Eugene Moriarty, and Rhoda his wife, who brought an action in 1868, to recover large damages for personal injury sustained by the latter, in consequence of her having fallen while in the act of alighting from a train. The reports of the company's officials clearly proved that she got out of the carriage after it had been set in motion, and the claim was therefore resisted. This is a remarkable case, because this action was brought by one of the most respectable solicitors in London, and a man who stands very high in his profession, and this is what was elicited. The case presented this remarkable and unusual feature, viz., that shortly after the action was brought, the solicitor of the company received communications from three

Mr. *J. S. Forbes.*

23 June 1870.

persons to the effect that the claim was fraudulent, and that a clerk in the office of the plaintiff's solicitor had applied to them to give false evidence in support of the plaintiff's case, stating that there were no witnesses, and promising a third of the damages as a reward. They also stated that the male plaintiff was party to this corrupt proceeding. Inquiries were made with reference to these persons before any attention was paid to their communications; but, as they were all in respectable employment, and apparently perfectly consistent and truthful in their statements, the information they supplied was acted upon; as I before mentioned, the solicitor for the plaintiffs is a highly respectable practitioner, and there is no doubt that he was wholly ignorant of the course pursued by his clerk, and would have been most indignant had it been brought to his knowledge. The case was tried at Westminster Hall before a special jury. There was a conflict of evidence upon the facts as to whether the woman got out of the carriage while it was in motion, or not; and the three persons who had volunteered the information as to the attempt to suborn them to give false testimony, were called as witnesses. The jury were, no doubt, materially influenced by their evidence, and gave their verdict for the company. Subsequently an application was made on behalf of the plaintiffs to the full court for a new trial, on technical grounds affecting the evidence of the three volunteer witnesses, and the court, after very elaborate arguments, consented to grant a new trial in order that that evidence might be further sifted, and provided the company's costs of the former trial were first paid. That case is hung up. We have had this enormous expense, we have had our guards, and our conductors, and our inspectors and people taken away from their work, who had to hang about Westminster Hall for days together, and this thing is going on continually; I say that the railway companies are not only aggrieved by the verdict of a jury, but much more aggrieved by having to resort to a jury to decide a case of compensation of a trivial amount, where, as in the case of Colmer and wife, we had to meet a 40*s.* verdict, by 220*l.* costs.

1291. Sir *H. S. Ibbetson.*] All such cases would be avoided, would they not, by a reference, as in the workmen's trains cases, to an authority like the Board of Trade?—Yes, I feel quite sure of that.

1292. Mr. *Sherriff.*] I think you stated that the average earnings per train mile of the London, Chatham, and Dover Company were 5*s.* 9*d.*?—Yes.

1293. Does that apply to goods or passengers?—To passengers only.

1294. And that the average earnings of the workmen's trains were 4*s.* 6*d.*?—Yes.

1295. Are the workmen's trains used by other persons besides workmen?—To a small extent.

1296. But to whatever extent, they are increased by such an element as that?—Yes.

1297. Is there not an additional expense incurred in running those early trains?—Yes; there is the expense contingent upon their starting at such a very early hour in the morning, because you cannot run those trains without having the attendance of the servants of the company, both on the trains and at the stations, and that means longer hours, more wages, and so forth.

1298. How many passenger train miles do you run in the year?—Somewhere over 2,000,000.

1299. Supposing that this system were extended in the way which the Board of Trade ask for, as I understand you, and your receipts were reduced from 5*s.* 9*d.* to 4*s.* 6*d.*, the loss would be so great that you would not be able to pay your debenture debt?—No; I hope I guarded it sufficiently when I was giving that evidence, that if the conditions upon which workmen's trains are now run were to be extended to all trains, I think I said that the company must very soon shut up shop.

1300. Then workmen's trains were, in reality, a continuation, were they not, of the penalty for disturbing the houses of the working class?—It was that damage to the working class which it was proposed to meet by imposing that obligation upon the railway company.

1301. The amount paid for the property by the railway company was not lessened, was it, on account of that arrangement for workmen's trains?—No, the railway company has always paid the full value of the property.

1302. Therefore the arrangement as to workmen's trains which, under Act of Parliament, you are compelled to run, was an arrangement which, in reality, had the aspect of a continuation of the penalty for disturbing the habitations of the working class?—Yes; but I think I must put it fairly by reminding you that the landlord of the house in which the working man lodged received compensation based upon the rent. The working man himself was subject to very short notice, and had no claim; the company paid the full value to the owner, and then was called upon to compensate the tenant.

1303. Do you consider that any extension of those trains beyond what you now run, and which are, to a certain extent, remunerative, though not so remunerative as other trains, would be an injustice to the company?—I think I might put it in this way: This is an obligation imposed and accepted upon express conditions, to meet a certain wrong done, and I think the moment you satisfy that wrong you have done all that you are called upon to do, and to make that fact a reason for imposing those conditions indiscriminately where no wrong has been done, would be the height of injustice.

1304. With regard to the manner in which the Board of Trade Reports or recommendations are dealt with by your company, do they undergo strict attention and inquiry on the part of the officers as well as of the Board?—Yes, any report of the Board of Trade is always very carefully canvassed; in fact it is usually sent, or a copy of it, to the officers more particularly concerned. It is always sent to myself as the manager, and by me to those officers, and is invariably discussed (and I think that is the general practice of railway companies), and I am frequently called upon to explain to the directors how those suggestions of neglect, or those suggestions of improvement on the part of the inspecting officers of the Board of Trade are to be met.

1305. You do not take those reports as a mere matter of course, but every recommendation made by the inspector of the Board of Trade receives minute attention from both the officers and the directors of the company?—I may say for myself, and I think I may say it with equal truth of all men that I have known in a similar position,

position, that they are only too happy to receive suggestions, either from the Board of Trade or from anybody else entitled to speak with some authority, which will enable them to do that which they, of all men living, have the greatest possible interest in doing, namely, securing the convenience and safety of the public; because, and I put it forward boldly, that is the very first consideration in the administration of any railway. One need not go into arguments, but there is not only the character of the manager and the directors themselves at stake, and the natural sort of pride which a man takes in doing his business in a proper way, but it is the sound financial way, and the common sense and business way to approach the thing. Whatever is good for the public is good for the companies. I am quite sure that all those suggestions receive full consideration. There is no indisposition on the part of companies to spend money. I have heard it said in this room that if you take off those penalties imposed by juries upon companies, it certainly will lead to laxity in the administration of the railways, and that particularly you will find that poor railway companies that are under a cloud would be disposed to economise at the expense of safety to the public. I think that there is nothing more fallacious, and, as an illustration, there is my own railway; on the whole, there is no railway in England that has been under such a cloud or has had greater difficulties to contend with, and yet I will undertake to say, and I am not afraid to say that there is no railway in England which, for the last seven or eight years has had more money spent upon it, has had more appliances for the convenience and safety of the public, and where the work has been carried on with less regard to cost where those considerations have to be held in view, than the London, Chatham, and Dover Railway.

1306. As to the block system, the Metropolitan system of railway is no doubt the very best position that the block system could occupy; it is there essential, is it not?—It is absolutely necessary there.

1307. The stations are every half-mile, are they not?—Yes, or thereabouts.

1308. In one case, I think, on the Metropolitan Railway, where the station was a little beyond half-a-mile, it was found necessary to put up a block station in order that the half-a-mile might be preserved, I think between King's Cross and Farringdon-street?—Yes.

1309. So that, in reality, although it may be essential with regard to the Metropolitan, it is by no means clear that it should apply in anything like an equal degree to railways in the country?—No; there are two things to be served by the block system, which I think are often lost sight of. Some gentlemen seem to think that the block system is only put up as a matter of safety. It is quite true that that is one of its objects, but it has another object, and that is to increase the capacity for the movement of trains over railways, and to enable them to be run at intervals of space instead of intervals of time. That is the reason why on the Metropolitan railways the block system has been applied; it is there absolutely indispensable. You could not pass over any given part of a line anything like the number of trains without the block system, that you can with the block; but of course those circumstances do not exist over thousands of miles of railway in the country. And, as I said, I venture to think that, looking now at the safety point of the question, the safety on those Metropolitan lines is secured by the fact that the system is so constantly in use that it gives rise to the employment of a class of men who are always alert and vigilant. If it were used at long intervals of time, in different parts of the country, it would be less safe.

1310. I think the average stoppage at a station on the Metropolitan Railway is only half a minute?—It is exceedingly short.

1311. Mr. *H. Palmer.*] You think that an interval of space is far greater safety than an interval of time?—Yes.

1312. Is the block system the only system by by which you can attain an interval of space as distinguished from an interval of time?—I think it is the most convenient method of doing it.

1313. It is the only practicable way, is it not, of securing an interval of space as distinguished from an interval of time?—Yes; I know of no other way.

1314. Except for an accident which may occur in the interval of space, it is practicably the safest mode of conducting the traffic?—Yes; it is a very safe method.

1315. You have referred to passengers leaving the carriages hastily at stations. The platforms on the London part of your line, are on a level, are they not, with the bottom of the carriages?—Very nearly so.

1316. You consider, of course, that that is safest when the platform is level with the carriage?—My own view certainly is, that where you have a large number of persons to be got in and out of a carriage, the most convenient and safest thing is to have the platforms close up to the bed of the carriage.

1317. You recollect the accident on your line, at the Bickley Station, to Mr. Jennings. I presume that the platform there was not level with the carriage?—No, it was somewhat lower.

1318. Would it be equally easy on the country lines, as on the Metropolitan lines, to have the platform level with the carriage?—I think perhaps that question involves my going a little more fully into the subject. If we were building railway stations again, I think it would be very wise to do what they have done in Germany, where they had the advantage of course of a little pioneering. There the railway engineers and managers considered what particular form and dimension of carriage, what particular construction of platform; in fact, what details generally governing the question were the best to adopt, and they have adopted them there almost universally. The result is that they have uniformity of system. Now, unfortunately for us in England, we do things very often first, and think about them afterwards, and while admitting, as I do admit, that to have the platform on the level of the carriages would be a great convenience, I cannot shut my eyes to the fact, that it is almost impossible to hope that we shall ever get things to that state in England. It is not only a question of the platform being heightened more or less, but it involves the carriages being all of the breadth and all of the same construction, with respect to the height of the doorway, which they are not. You have carriages of all sorts of breadths, overhanging more or less, and narrow, more or less; you bring your train at one of the stations up to the platform, and you find that you step

Mr. *J. S. Forbes.* 23 June 1870.

step from the floor of the carriage easily, without any intermediate space, sufficient to involve you in danger in getting on to the platform. The next train of carriages that comes up, is, say, a Great Northern train, and there you find that the floor of the carriage is either higher or lower than yours. If it is higher, the step down is greater; if it is lower, there is a step up, and there is an interval of space; so that the difficulty arises from the original construction of our works, and from the want of anything like unformity in the width of our stock, or in the height of the floor of the stock.

1319. Would it be a very expensive process if there were a general law passed that all platforms of railways should be level with the carriage; would it be a great expense to construct them on a new principle?—It would be a very large cost indeed, because it is not only the platforms, but it is the stock that would have to be altered, and that is even more serious. And then to show you the practical difficulties, I am rather anxious that you should know this. Those Germans who are somewhat philosophic inquirers, oddly enough (I cannot understand it, I admit) have elected not to have platforms; they think that no platforms, or very low platforms are much the safer of the two, and more convenient than high platforms. I dare say you have observed, in travelling in Germany, that that is the condition of things, that the platforms are very low.

1320. But in the German carriages there is communication frequently the whole length of the train, by which the guard can pass along every carriage by means of foot-boards?—Yes.

1321. Would not it be an advantage if we could have such a system as that in England, both for safety as well as for alighting?—We have had some of our carriages fitted with foot-boards, but unhappily the carriage in which poor Mr. Jennings travelled was not one of them. Then that depends again upon the construction of the carriage.

1322. Is there any periodical examination by officers connected with and appointed by your own company of the plant of the railway, the carriages, the wheels, and the axle-trees of the rolling stock generally?—Yes; a most systematic examination. You may observe in travelling on railways, at certain stations, the tapping of wheels, for instance; that is to test the tyres; but before the engines come out there is a daily inspection of those engines, first of all by the driver, who is responsible for the mechanism of his machine, and then by what is called the running foreman, and very often indeed by the engineer himself. Then, with respect to the stock, the examination of that is frequent and, I may say, almost unceasing; indeed, it is a business of itself.

1323. You consider that so far as it is possible to carry it out, that is done on your line at any rate; daily, I think you say?—Yes, daily. It is a part of the business; the examination of the springs, and the general efficiency of the plant is regularly looked after; every train is cleaned and greased, and the couplings looked to and oiled, and all that sort of thing, systematically. Of course I need hardly say that there is no rule without an exception, and, under great pressure, occasionally, railway porters and railway carriage examiners (which I ought to explain to you is a separate branch, because we have a class of men called carriage examiners) will scamp their work or overlook it, but, as a rule, you may rely upon its being systematically and thoroughly done.

1324. You sometimes take upon your line, do you not, trucks supplied by other companies, who undertake to carry goods, or by local dealers on a wholesale scale?—Yes.

1325. When those which I call external trucks are furnished to your line, are they examined in the same way by the officers of your own company before they are allowed to run?—Yes, they are examined very critically, for at every junction where the stock of one company passes on to the line of another company we have what we call the clearing house number taker and examiner. There are several things which have to be done. First of all a waggon running on the line of another company has to be paid for its mileage; that involves taking its number, when it comes on and when it goes back again; then the railway company, having the use of a waggon in that way, are responsible for two things. They are responsible for the good condition and safety of the contents of the waggon coming on, unless there is evidence that on receiving it they were out of condition, and they are responsible for the waggon being returned in good condition, unless they can prove that when they took it over it was in bad condition. That involves at all those points of contact an examination to secure those objects.

1326. Then practically that secures a complete examination of the strength and working efficiency of the carriage?—Yes.

1327. As much as if it was one of your own?—Yes; and even at that particular junction more, because one of our own waggons would pass unchallenged; but our responsibility begins at that particular point for the foreign waggon, and an examination is therefore made.

1328. Is it the custom with goods trains to have a guard at the end of the train?—Yes, I think the general rule is that a goods train should have two guards and two break vans, and as far as practicable that one of those vans should be next the engine, but the rule as to a van being at the end of the train is absolute.

1329. Then it is the duty of course of the guard at the end of the train to see if anything goes wrong in the train, between himself and the driver?—Yes, he is generally the head guard in charge.

1330. Under these circumstances, does it happen that a train sometimes becomes uncoupled, and a part of the train is left behind without the driver knowing it?—Yes, that has occurred. The couplings break, and the driver finds himself in the position which you have indicated. He has run some mile or two, then he finds that he only has part of his train; he feels very soon that he is pulling half a load instead of a whole load, and that excites attention.

1331. Supposing the guard saw that, is there any way of communicating with the driver and stopping the train?—He has a lamp and a whistle, that is the only means. The practice is (of course occasionally the practice is neglected), that no driver shall start on his journey, without having looked for a signal which is given with a hand signal by day or a lamp at night by the guard at the rear of the train, who has walked from the head of the train to the rear; his mate also comes to the front, and gives a general examination, the one guard going one way to the rear, and the other guard coming to the front. The guard

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at the front next the engine, gets in and says that he is right; the man at the end of the train gets into his break at the rear, and he signals all right to the driver looking out for it. That is the rule.

1332, Mr. *Price.*] Even in the case of the couplings breaking, railway companies have provided protection, though not a very perfect one, I believe, in side chains which are supposed to save a rupture, even supposing the couplings should give way?—Yes, they have in the coupling, in the centre, two side chains to catch the weight.

1333. But the side chains are not very effectual, I believe?—They generally snap.

1334. Still it is all that you can do?—Yes; cases have arisen in which they have answered their purpose, but sometimes they snap.

1335. With regard to a question asked you by the honourable Member for Lincoln, what would you say as to the expediency, supposing it to be possible, of having upon a railway no other stock running, but the company's own stock?—If the honourable Member means railway company's stock, instead of running what we commonly call owner's stock, of course that would have some advantage. I think you could probably exercise rather more stringent control over the construction of your stock, the selection of material and what not, than you could over the stock of an owner, but I confess that I should stand aghast, as a railway manager, at the idea of its being possible to carry on the traffic of this country without owners' waggons.

1336. That is a question of capital, is it not?—Yes, it is a question of capital, no doubt.

1337. I dare say you would rather take over the stock of some other railway company than you would take over what is commonly called owner's stock?—Yes, I think you are more likely to find that a railway company, in the selection of the material and the construction of the waggon has exercised care and diligence than a man who is practically without responsibility.

1338. Within your own experience, taking the case of a broken axle, because that is often a cause of accident, would you have more accidents from the broken axle of an owner's truck than you would from the broken axle of a company's truck?—I have no doubt that is so.

1339. Generally speaking, the British public are not so very careful of even their own life and property as the railway companies are for them?—As an illustration of the comparative providence of a company and an individual, I have no doubt it might be put down as a broad principle, that the stock of railway companies is much better than the stock of private owners.

1340. The public, in fact, have the privilege of keeping imperfect stock, and the further privilege of complaining?—They are never very slow to complain.

1341. You were also, in answer to a question by another honourable Member, speaking about the supervision which railway companies exercise with respect to the breach of rules, and so on; I do not know what the practice upon your line is, but I dare say you have a perfect history in your office which you could get at a very short notice of every train that is run upon your line in the present year, 1870?—Yes, every one, certainly.

1342. If we were to ask, for instance, for the history of any train that left London on the 1st of this month, or the 1st of January, at any particular hour, you could give us its history, could you not, from the time it left London until it got to Dover?—Yes, every train that left in the whole year we can tell what it was, how many carriages were in it, who went with it as guard, where it was kept, and why it was kept.

1343. You keep that history, do you not, for the purpose of exercising supervision over your servants, and dealing with any case of breach of rule?—Yes; it is the constant daily practice carried on by a machinery employed for that express purpose; and then we have this further security, every station master has to make a daily report; that daily report is in a form, in which form almost every casualty and breach of duty and suggestion for the public safety and convenience is provided for; this form is sent up daily, and if that man does his duty, you have a short epitome of the life of the station for the day, and everything that has transpired, and, amongst other things, any irregularities of the servants, either of those at the station or of those conducting the trains; and we very often get a little history about the progress of a train which the conductor of a train has omitted in his report to favour us with.

1344. Do you know anything in the public service, or in private service, equal to the care that is exercised by railway companies with respect to all those details?—I have seen a good deal of the public service in England, and I must confess my admiration for the way in which, at all events, one department of the public service is carried on, namely, the Post Office; and, perhaps, it might be invidious to say that a Government department, if they were working the railways, would not do it as effectively and well as a private company. From my observation in Germany, I can speak, where, as honourable Members are no doubt aware, there are many railways worked by the State, and other railways which are worked by companies. I do not want to put it too high, but I know, as a matter of experience, that the administration of the Government railways in Prussia, which are pretty taut, will admit that the administration of competing railways in the hands of companies is more effectual than their own. Their competition with private companies is severe, and they feel the severity of it, because a private company does more for the public, and has a greater interest in doing it than the Government. Of course, you must take that for what it is worth, coming from me, but that is my practical answer to your question. Taking the Cologne and Minden Railway, which is one of the main lines in Germany, I believe that railway will, for its service and administration, and its stock, and its freedom from accidents, bear a comparison with the best administered railway on the Continent, and that railway is managed by a private company.

1345. Mr. *Sherriff.*] That is a railway in connection with the Dutch-Rhenish, is it not?—Yes.

1346. Mr. *Price.*] To return to the subject of your former answer; even with respect to your waggons, you could tell us any waggon, where it is to-day, what year it was built in, how often it has been repaired, and even when it was last in your shops?—Yes, we have a regular history of the waggons; we keep an account of their mileage, and where they are, because we have very often to make out a long bill against another company for unduly detaining them.

1347. Supposing you found that a waggon that arrived in your station had not been in your shop for

Mr. *J. S. Forbes.* 23 June 1870.

for a considerable period, by reason of its having been travelling over other lines, you would think it right, in consequence of that absence, to submit it to a more rigorous inspection than you would one that had been in the shop any time in the last week?—Yes; it is my province, in the London Chatham, and Dover, to examine all the indents before they go to the directors, the indents being the requisitions of the different departments for stores; and every now and then I am startled by finding continuous orders for new axles and new tires, and I say to the locomotive engineer, it is only the other day that you had an enormous number of them; yes, he says; it is not that the axles of all the engines that are upon the lines are out of order, but they have now run so many thousand miles, and I must begin to make provision for renewing them. The moment an axle has run so many thousand miles, although it shows no defect, it must be taken out, because we know from experience it is no longer absolutely safe to leave it. As a matter of fact, I dare say if the Committee could adjourn to any of the workshops of the great companies, they would find a number of axles of engines, and cranks, and wheels lying on the sidings worn out, but bearing no visible sign of being inefficient, and they have been taken out simply because they have done their service.

1348. For instance, would not it be scratched off, because it had done as much service as you think safe for it to do?—Yes; because they had gone what is allowed to be a reasonable number of thousands of miles; we do not in fact wait for them to break.

1349. I am only anxious to elicit from you the care that railway companies display with respect to the condition of their stock; you said, did you not, that the gross receipts were about 5*s.* 9*d.* per train mile on the London, Chatham, and Dover Railway?—Yes.

1350. Do you happen to know, as you are conversant somewhat with the statistics of foreign railway, what the average receipt per mile would be upon such a line as the Great Northern of France, or the Paris and Marseilles, or the Paris and Bordeaux?—Very much higher than anything we have in England.

1351. Do you happen to recollect what it is?—I am pretty near the truth when I tell you that it is something like 15 francs per train mile.

1352. Then the difference in the average receipt being the difference between 5*s.* 3*d.* on your line, and 15 francs on a French line, is not that due to the fact that they have in France, and on the Continent generally, a very much smaller number of trains, compared to the same quantity of traffic?—Yes; that is the reason the English railway companies, under the pressure of competition, have conceded such a number of facilities to the public in every way, in trains, in speed, and in accommodation, as materially to affect their position. The history of the foreign railways paying so well is that they rather stint the accommodation. I know, as a matter of experience, that they will not put on another train until all the trains running average a certain receipt per train mile.

1353. But the great increase in the number of trains that we give must of course be an increase in the liability to accident?—Of course the liability to accident is increased much more than in the numerical proportion as the trains increase in frequency and increase in speed, this liability increases in a much greater ratio.

1354. But that increase in this country in the accommodation that we give, and consequently the increase in the liability to accident, is due, not to the voluntary action of the companies themselves, but to the action of the public outside upon the companies, is it not?—Yes; the public in England have a knack of making their wants and grievances felt, which our foreign friends have not yet attained.

1355. Did it ever happen to you, for example, to hear of your short coming at any particular town upon your system through the Member of that place, if it had any, or through the Member for the county, if it had none of its own?—I have had the pleasure of making the acquaintance of many honourable Members of Parliament in my capacity of manager of a railway, and it has been, I think, mostly in that way.

1356. But it is a fact, is it not, that the public in all sorts of ways are continually putting upon railway companies great pressure to increase the accommodation, to increase the number of trains, and to increase the number of stoppages, and thereby increasing at the same time the liability to accident?—Yes, we are under constant pressure.

1357. And if it be so, that this greater liability to accident is incurred by the greater accommodation which the public require to have, does it not seem to you fair that the public should bear some part of that risk, and not throw the whole of it upon the companies?—That seems the common sense sort of inference, if the liability to accident is increased by the demand of the public to have more accommodation.

1358. And therefore the public ought to share somewhat in the risk?—Yes, I think so.

Mr. Samuel Lack Mason, called in; and Examined.

Mr. *S. L. Mason.*

1359. *Chairman.*] You are the Manager of the North British Railway, are you not?—Yes.

1360. Can you speak also for the Glasgow and South Western Railway?—Yes, I am authorised to speak for them in the absence of the manager of that company.

1361. Where does the North British Railway commence?—At Berwick, on the east of Scotland, and at Carlisle, on the south; we are also at Newcastle, we run *viâ* Hexham; we exercise running powers upon Newcastle over a portion of the North Eastern Railway. In the north, we are at Dundee, by agencies at Aberdeen, by our own line at Glasgow, by agencies at Greenock and Helensburgh, and the whole of the railways north of the Forth and south of the Tay in that portion of Scotland known as the Kingdom of Fife belongs to us. We have altogether between 800 and 900 miles of railway.

1362. Can you mention to the Committee the law in Scotland upon the subject of compensation?—It resembles the law in England, with this exception, that if a tender is made to the plaintiff in settlement of a claim for compensation, the amount so tendered is binding upon the plaintiff in the event of his going to trial; if he should go to trial, and the jury

jury should award him a smaller sum than the company originally tendered, he would have to pay his own costs, and those of the company in addition. In a case reported to me by the Glasgow and South Western Company, a claim was made for 400 *l.*; the Glasgow and South Western Company tendered 300 *l.*, the jury awarded on the trial 200 *l.*, and the plaintiff in that case had to pay his own expenses, and those of the Glasgow and South Western in addition.

1363. Did that case go to a jury?—Yes, it went to a jury, and the jury awarded the smaller sum that I have mentioned.

1364. The jury awarded a smaller sum than the sum which they knew to have been tendered?—Yes——

1365. Did the jury know the amount that had been tendered?—I am not quite sure; it is not the practice to tell the jury, but it may have been within their knowledge from other sources.

1366. You cannot speak positively as to whether they did know, or whether they did not know?—I cannot tell; I know that it is not the practice to tell the jury; it is supposed to be kept a secret from them, but with what success I cannot say.

1367. By whom are cases of compensation tried in Scotland?—By a judge of the Court of Session, and by a jury. The composition of juries in Scotland is somewhat different to that of juries in England. In a criminal cause there are mostly 15 jurors, I think, and five of those are special jurors. On an ordinary jury there would be five special jurors and 10 other jurors. In that way it is thought that you get a more intelligent jury, and from my experience I should think that would be so.

1368. You have heard the recommendation of the other companies as to limiting the liability; what is your opinion upon that subject?—I concur generally in what Mr. Blenkinsop and the other gentlemen have said upon the subject. I think it would be a great boon to the companies, and only that which would do them justice.

1369. If you had a limitation of liability as suggested, would you be enabled to run more trains than you do at the present moment, and to charge lower fares?—I think ultimately that effect would be produced.

1370. Have you any workmen's trains upon your line?—No; we have not upon the North British. We have been pressed to run them in the vicinity of our large towns in the neighbourhood of Glasgow and Edinburgh, and Leith and Granton, where a great number of workmen live and circulate, but we have been deterred entirely from considerations of the risk that would be incurred thereby. We should never be able to make them pay, we are quite satisfied of that, but I think the directors are not on other grounds indisposed to run trains if they saw that anything like a limitation of liability would be obtained.

1371. Do you think it would be a very valuable thing in Scotland if workmen's trains were generally in circulation throughout the country?—I think it would be a boon that the public would appreciate. I do not think that it would do the railway companies much good. They have tried the experiment upon the Glasgow and South Western to the west of Glasgow, in the vicinity of Greenock, and Paisley, and Govan, and some of the trains pay and some do not. On the whole they appear to earn about 4 *s.* to 5 *s.* per train mile, which will, of course, pay the actual running cost of the train; but if you take into account the risk incurred, and the ordinary traffic which those trains no doubt attract, I think there is no doubt that they are not, on the whole, remunerative trains to run.

1372. When you say that they have not paid, you think that the fact of their liability to risk has contributed to the circumstance of their not paying?—No, I think that the liability of the company to risk would not influence passengers against travelling, rather the reverse, it would attract them to those trains, and it is their attraction of other traffic, not properly workmen's traffic, that has made them not remunerative. They rob the other ordinary trains in short.

1373. Have you had to pay large sums for compensation for accidents in those trains?—There have been no claims for compensation in respect of those trains, but the Glasgow and South Western Company have ceased to run excursion trains from the pure consideration of the risk that is incurred by running them.

1374. Sir *H. Selwin-Ibbetson.*] Can you speak at all as to the working of the block system?—Yes, I have had a great deal of experience, first and last, with the block system.

1375. Is it generally adopted on your line?—It is not generally adopted. When I went to Scotland three years ago (I received my training upon the Great Northern Railway of England) there were upon the North British system which, as I have said, is between 800 and 900 miles long, about 30 miles of the block system in operation. Those 30 miles have been gradually increased, till at the present time there are 120 so worked, and extensions are now under the consideration of the directors, which I have no doubt will be carried out ultimately.

1376. Is it worked absolutely on the block system, or what is called the permissive block system?—There are two systems of block telegraphs within my knowledge and experience; the one I should call the absolute block, and the other the modified block; the one prescribes an interval of space absolutely, and the other an interval of space, qualified occasionally by an interval of time. For example, in the modified block you would permit one train to enter an unoccupied telegraph circuit, and upon another train coming up to the circuit, you would stop that train, tell the driver what was in front of him, and give him permission to proceed at a slow rate of speed, say, 10 or 15 miles an hour, till he should receive an all-right signal, when he could resume the ordinary speed of the train according to the time tables.

1377. Under that modified system, of course you are much more liable to accident, are you not, than you are under the absolute system, because you, to a certain extent, increase the discretion placed in the hands of the drivers?—I have found that the accidents under the modified block are not more numerous than those under the absolute block system, and I should say that the one could be adopted where the other could not. The circumstances of mineral lines would be much more suitable to the modified block than to the absolute block, and I shall have something to say about that presently. We have also another system in operation upon the North British Railway, which I may denominate as the information system, that is to say, it gives information of the trains that are upon the line several

Mr. *S. L. Mason.*

23 June 1870.

stations in advance; for instance, taking the Great Northern Line as an example, upon a fast train leaving King's Cross, a message would be despatched to Barnet, another to Hatfield, and another to Hitchin; by this means Barnet and Hatfield and Hitchin could so dispose of goods trains, or mineral trains, that might be in their stations, as to keep clear of the express or other trains, that they might have occasion to shunt for. Upon the passing of this fast train at Barnet, a message would be sent from Barnet to Hatfield, and Hitchin, and Biggleswade, which is further north, and in this way overlapping the various stations.

1378. Sending a kind of *avant courier* over the whole line?—Quite so; and this is accompanied by instructions to the staff in charge of trains, to inquire at every telegraph station at which they stop, the position of other trains which there may be on the road, and that facilitates considerably the passage of traffic along the line, at the same time it ensures tolerable safety; in fact, I may say complete safety. This is a system which will be found to answer very well where the traffic is not quite thick enough, and the trains not numerous enough for the block or the modified block.

1379. In fact it is an additional security?—Yes, it is an additional security.

1380. On your line do you find the great distance between the stations any great objection to the block system?—I should be inclined to think that it would be an insuperable objection to the adoption of the block system. I heard Mr. Forbes's evidence, in which he gave five miles as a practicable distance; but in my experience that would hardly be so. I should of course differ with Mr. Forbes on a matter of that kind with very great caution; but I should be much inclined to state three miles as the utmost limit of the block telegraph where the trains were mixed in character, and anything like numerous.

1381. Whatever the limit was, it is only a matter of expense; it is only a question of creating a certain number of additional signal stations?—Yes; no doubt to have the block system every three miles, would be very much more expensive than having it every six miles.

1382. Is it not the result of your experience, after amply testing the block system, that it is workably feasible on the line, and that it does diminish risk?—Yes; where the adoption of the block telegraph is suitable to the circumstances of the traffic, I think it is unquestionably an advantage; but I must beg not to be taken to admit that its general application, irrespective of the views of the parties who are to work it, would be at all suitable; in fact, I think that would be a very grave error. I should be very sorry indeed to take the responsibility of it in Scotland, although, of course, for convenience it would be a matter of no small importance to me to be relieved of the responsibility of working the traffic, as I should be if others prescribed the rules. Still I think it would be a mistake (all railway men agree upon that) to adopt the block system without the full concurrence and consent of the railway boards. I should like to say a word here upon something which is peculiar to Scotland. We have an official there whom you have heard of in England, I dare say, known as the Procurator Fiscal, who, under the authority of the Lord Advocate, is the public prosecutor in Scotland; and in all cases of occurrence of accident, and even where an accident has been narrowly escaped, the Procurator Fiscal makes a very rigid and a secret inquiry; his officials are frequently on the ground as speedily as the chief railway officials themselves; but the result of his inquiry is not made known to the company, and ultimately, perhaps, some one of the railway officials is taken up. I have seen the working of coroners' juries in England, and the Procurator Fiscal system in Scotland, and I am quite sure that there are five people taken up in Scotland for assumed neglect of duty for one in England.

1383. Would you be inclined to constitute some authority in England that would carry out similar supervision over accidents, or over the working of lines, as that exercised by the Procurator Fiscal in Scotland?—No, I think not; on the whole, I think that the Procurator Fiscal in Scotland commits many errors when he attempts to deal with railway matters. I can relate some experience on that which is peculiarly personal and unpleasant. I have said that it is frequently the case that railway officials are taken up for some assumed neglect of duty; that was the case on the North British Railway only a few weeks ago, when one of our first-class station-masters was apprehended and tried, and unanimously acquitted, for some neglect of duty which had existence only in the imagination of the Procurator Fiscal. And my predecessor also submitted to the unpleasant ordeal of a lengthened trial, although he was also honourably acquitted. But what I was about to say was that, shortly after I went to Scotland, the chairman of the board of directors and myself were summoned, for not, as we understood, having devised some safe means of working the line. It was assumed that something was wrong somewhere, and that it was either my fault for not having properly made the rules, or if I had made them properly and submitted them to the directors, they had not approved them—that there was a mistake somewhere; that if it was an officer's mistake I was the chief of them, and they took hold of me, and that if it was a director's mistake they held the chairman accountable. I need hardly say, that on such vague grounds, the whole thing toppled over, but it is after all an unquestionable fact, that the responsibility of directors and railway managers in Scotland is more directly upon them than it is in England. It is by no means nominal; it is unpleasantly real. I would like the Committee to place themselves in the position of the general manager of a railway in Scotland, feeling that some authority, as the honourable Member put it, is to devise rules under which the railway is to be worked, and he himself has to stand in the position of being answerable for them. There is direct responsibility upon the managers and directors, and in my opinion that is sufficient to secure the adoption of all reasonable precautions in the working of the line.

1384. Notwithstanding the possibility of the line not paying satisfactorily, or there being inducements not to adopt alterations or improvements for fear of increasing the expenditure or diminishing the dividends?—I really do not think that the temptation to save money in that way is at all felt by railway directors or managers; it certainly does not influence me in the least. If I saw that any portion of our railway required the block

block system, or any other system to make it safe, I should, without fear or favour, make that recommendation to my board, and urge it upon them. The North British line, like the London, Chatham, and Dover, that you have lately been hearing so much about, stands in the unhappy position of being in difficulties. Not long ago we had a liability of something like a million and a-half of money, and Parliamentary obligations to the extent of about two millions more, yet, notwithstanding this, as I have said, we have gone on increasing the block system with its very great expenses from 30 miles, which were in operation three years ago, to 120 which are in operation at this moment.

1385. With regard to something which has been stated about difficulties in the block system of working the line and the stations, and the probability of accidents even being increased at the stations under the block system, I suppose you can keep the line at stations clear till such time as the shunting and all that is completed?—Yes, I regard the block system, where it is in operation, as a complete protection not only to trains between the telegraph stations, but generally. You may say a thorough protection to the stations as well as the line. But, of course, this is always qualified by the statement that the block telegraph will not prevent accident. A great proportion of accidents, according to my experience, happens from the neglect to observe some signal or other; and a signal is just as likely to be neglected under the block system as under the ordinary system of working, and rather more so.

1386. Mr. *Winn.*] You have said that you had various applications for running workmen's trains from, I think, Edinburgh, Glasgow, and one or two other places, but that you had refused to do so in consequence of the risk?—Yes.

1387. Supposing the risk was limited in the case of those workmen's trains, would that enable you to run them?—I think it is probable that we should run those trains as an experiment if we could do so without incurring risk. I am not quite sure that the circumstances of Scotch towns are such as would make workmen's trains pay so well as those in the neighbourhood of London; most likely not; but I should like to be in the position of trying that experiment, and so satisfying the public in the north, and at the same time not being compelled to continue the trains if they did not pay.

1388. In order to enable you to try this experiment, it would be sufficient, would it not, to limit the liability of the company on those particular trains?—Yes, I think so. If you limit it in the way which has been mentioned by Mr. Forbes, I think that it would, I do not say satisfy the companies in the north, but it would enable them to try such an experiment, which I for one should not be sorry to see tried.

1389. Mr. *Davison.*] You have a large mineral traffic on your line, have you not?—Yes.

1390. In Fifeshire, and also in the Wishaw district?—Yes.

1391. And frequent trains largely in excess of your passenger traffic on certain parts of your system?—Yes, we have three very large mineral districts; three large coalfields that we serve exclusively with accommodation in Scotland, and there are a great number of trains necessarily run upon the lines in those parts.

1392. Do you see any necessity for the extension of the block system to that part of your system?—I think it would be most disastrous to extend the block system to those mineral lines.

1393. The honourable Baronet puts it as if it were a mere question of expense; it is a question, also, is it not, of the user of your line, and getting more traffic over it?—Yes; I will illustrate it by one example, first, saying that we have a mineral traffic upon our line of something between four and a-half and five millions of tons annually. The Glasgow and South Western Company, whom, as I have said, I represent also, carry minerals to the extent of nearly three million tons annually. The coals in Scotland are worked differently to the coals in this country in this respect, that the sub-tenants, who work the collieries are men of small means, and the Scotch coal has not the reputation that the English coal has in the foreign or the home markets, it has not so ready a sale, and our shipping facilities are inferior to those which obtain in England; and generally those drawbacks contribute to render the profit of Scotch coal works very much less than we are familiar with in this country. All this tends to make the mineral owners and the mineral lessees very chary of expense. It is very often a matter of pence in the carriage of the coals whether a coalpit is worked or not. We carry from one of our largest coal fields, in the kingdom of Fife, to the largest port, Burntisland, a great many hundred thousand tons annually. We charge a low rate of 1 *s.* 4 *d.* per ton in our waggons, which is something like ·40 *d.* per ton per mile. On this portion of the line the coal pits are frequently about a mile to half-a-mile apart, and if you were to have the block system there, of necessity you must have a block telegraph establishment at every mile or half-mile. As I have shown, it is a question very narrowly scanned whether a colliery will pay under the present arrangement; and I have explained that we carry the coals at a very low rate; there certainly cannot be much profit got in conveying coals 35 miles for 1 *s.* 1 *d.* in the way we do; under these circumstances I say it is just a question evenly balanced whether the coal shall be worked or not; and if you put down the block system every mile or every half-a-mile, which you must do to carry it out in its integrity, you necessarily stop the operations altogether. I believe that a great number of our coal pits would never be opened if you were to adopt the block system as a compulsory matter, and it would tend to the ruination of the mineral traffic of the country.

1394. Mr. *Dalglish.*] You have had comparatively few accidents, I think, upon the North British line?—We have had, I am very glad to say, very few accidents; I have a Return which extends over a period of six years, and during the whole of that time we have not killed a single passenger, and we have only averaged, during five years, 5,000 *l.* a year for compensation for injuries. So that, on the whole, we have done very well without the block system.

1395. May not the Procurator Fiscal, looking after the directors and managers, have had something to do with it?—No, I think not; it has certainly had no influence upon me. I endeavour to work the railway for my own credit's sake, and for the sake of economy generally, as safely as possible, and I do not think that the

Mr. *S. L. Mason.*

23 June 1870.

Procurator Fiscal has had any influence. The Procurator Fiscal has not, in my experience, made any one suggestion that we were able to avail ourselves of. I omitted to say this in answering the questions of the honourable Member as to the block system that two accidents which have contributed more to the 5,000 *l.* compensation, which I have mentioned, happened under the block system. We had an accident not long ago exactly similar in character to that which occurred on the Great Northern the other day at Newark, and that, of course, could not have been prevented by the block system, or by any system.

1396. Mr. *Lopes.*] I understand you to say that, in Scotland, it is open to the company to make a tender, and then if the plaintiff does not recover more than the sum tendered, he does not get his costs?—That is so, and he has to pay the costs of both sides.

1397. Does that amount appear on the record, or is the tender merely made by letter?—The tender, of course, would be formally made.

1398. It is not on record?—No; I do not think it is alluded to in the proceedings; the award of costs, I believe, is in the hands of the judge. After the jury have given their verdict and stated the amount of damages which they find, it is in the judge's discretion, or is in his power at all events to give costs; and if the jury's finding has not been in excess of the tender, he awards that the pursuer or plaintiff shall pay the costs.

1399. Therefore the amount of the tender is only known to the judge, and he acts upon it after the verdict is given?—I believe that is so. In practice I daresay it does happen that it is known in court; those things are mostly known, but they ought not to be.

1400. I do not know whether you know the working of the Lands Clauses Consolidation Act in England with regard to the compulsory purchase of land? — Yes, I am acquainted with it.

1401. You have the same state of things there, have you not?—Yes.

1402. There, at any rate, the amount tendered ought not to be known?—Yes, it ought not, but it is sometimes known.

1403. Do you think that the adoption of that principle with regard to the tender and the costs would prevent fraudulent and exaggerated claims?—I think it would have that tendency distinctly. I think that the Scotch practice might, with advantage, be adopted in England; that you might make the tender formally to the plaintiff, and not permit him to refer to it during the trial; you might even keep the judge in ignorance of it by placing it in his hands under seal, or in some such manner. In that way it would be kept from the knowledge of the juries, and at all events they would not be able to do as they do now so frequently, give something more, in order to secure the plaintiff from the costs of the action.

1404. When you pay your money into court in this country the amount is known, and juries are apt to say, "The company having admitted that so much is due, in all probability that is not enough"?—Yes; I have some very strong cases of that sort in my memory, which I need not delay the Committee by mentioning.

1405. Do I understand you that in every ordinary jury there are five special jurymen?—Yes; in criminal cases, for instance, there would be 15 jurors, 10 of them common jurors and five special jurors. I think, in civil causes, there are 12 jurymen, but I do not know the proportion of special jurymen in that case. I know that special jurymen enter into the composition of Scotch juries with very great advantage.

1406. In fact you never have a jury without some special jurymen?—No.

1407. In some cases there are juries composed entirely of special jurors, are there not?—Yes.

1408. Mr. *H. Palmer.*] Have you passenger signals upon the North British line to communicate between passengers and guard, under the late Act of Parliament?—Yes; we, of course, come under the operation of the general law upon that subject, and we have adopted the cord communication along with the other railways.

1409. Have you any notice up in the carriages to tell passengers how to use it, and where it is?—Yes, there is a similar notice to that which you will find on all railways; we adopt one uniform plan on all the lines north of the Thames.

1410. You have the cord system, not the electric?—Precisely so.

1411. If a train were to become uncoupled or broken, would the cord system indicate that to the guard or driver?—Yes, the breakage of the train would necessarily throw some stress or strain upon the cord, and that would be usually of sufficient force to ring the bell or to open the whistle upon the engine.

1412. Mr. *Winn.*] You have said that you have had two accidents on a part of your line, where the block system was in force; was either of those two accidents attributable to the existence of the block system?—I cannot say that they would be directly attributable to the block system, but I think that the tendency of the block system is to cause the drivers to place too much reliance upon the all-right signal, which they receive when they enter upon the block circuit. They conclude at once that the line is clear to the next station, and do all you can you cannot make them as careful as if they were running along the line with the chance of meeting some obstruction in the way.

1413. Was either of those accidents attributable to over confidence on the part of the drivers?—I can hardly tell you that, because the driver would not be likely to say what influenced him in passing the signal, but it is the fact, that he did pass the danger signal, where the block telegraph was in operation, and disregarding it met with a very serious accident; one of the most serious that we have had upon the North British line. The Board of Trade inspector referred to that, and admitted that our precautions were of the most ample and complete description.

1414. Was the danger signal up within the block point?—It was the distant signal of the station which he was approaching.

1415. And that station had no block, I suppose?—Yes, the station had a block. When the driver was permitted to enter upon the block circuit the line was clear, and while he was upon the block system, another engine-driver came out of a siding on to the line in front of him, and then to protect the engine which so came

came out on to the line, the distance signal was exhibited, and this distance signal the driver of the approaching train entirely disregarded.

1416. Mr. *Price.*] I presume what you say as to the Fife coalfields, applies equally to the Ayrshire coalfields?—Yes, distinctly. The Glasgow and South Western Company, like the North British, are gradually adopting the block telegraph wherever they consider it is necessary; wherever their experience tells them that it is so.

1417. Do you have a Board of Trade examination as well as that of the Procurator Fiscal?—Yes. Mr. *S. L. Mason.* 23 June 1870.

1418. It is in addition to that examination, is it?—Yes, it is additional; in fact, the Procurator Fiscal in Scotland takes the place of the coroner and his jury in this country, with the exception that in the Procurator Fiscal's case it is a secret inquiry; whereas, in England, it is an open and public one.

1419. You have not a coroner in Scotland?—No, we have not a coroner.

Monday, 27th June 1870.

MEMBERS PRESENT:

Mr. Dalglish.
Mr. Denison.
Mr. Headlam.
Mr. Mowbray.
Mr. Plunket.
Mr. Sclater-Booth.
Sir Henry Selwin-Ibbetson.
Mr. Sherriff.
Mr. Rowland Winn

THE RIGHT HONOURABLE T. E. HEADLAM, IN THE CHAIR.

Mr. OLIVER PEMBERTON, called in; and Examined.

Mr. *Pemberton.* 27 June 1870.

1420. *Chairman.*] YOU are Professor of Surgery in Queen's College, and Surgeon to the General Hospital at Birmingham, are you not?—I am.

1421. You have been for nearly 22 years engaged in the medical management of accidents of all kinds, and ascertaining the result of them, have you not?—I have.

1422. And employed by the London and North Western and the Midland Railway Companies?—Yes, the London and North Western and the Midland Railway Companies, and also the Railway Passengers' Assurance Company have employed me as consulting surgeon; the Midland Railway Company for 17 years, the London and North Western Company for 13 years, and the Railway Passengers' Assurance Company for nine years.

1423. During that time have a great many cases of claims for compensation come under your investigation?—Yes, I have had many hundreds.

1424. What information can you give the Committee as to the nature of the cases?—The general observation would be that the more marked injuries have not, as a rule, led to litigation; for instance, cases of serious operations. I do not remember, in my experience, seeing a case come before a jury in which a limb had been amputated, in which there was any doubt as to compensation; the cases that have led to litigation have been those in which the symptoms of injury were only to be determined by the patient's own statement.

1425. In cases of clearly ascertained injury, have the companies usually paid without litigation?—They have, and there has been no difficulty about the adjustment.

1426. Have you reason to suppose that many of those cases are fraudulent?—I have very little doubt that a great number of them are in every sense of the word fraudulent; for instance, one is asked to believe that a person is paralysed when you can see him bear the entire weight of his body upon the paralysed limb. I am asked to believe that a patient cannot hear when I have the strongest evidence of the acuteness of that faculty in an interview with him. As to loss of memory, again the very strongest evidence is given by the patient himself of the opposite, and also with regard to the injury of the brain; whereas, in case of real injury to the brain or spine well known to experienced surgeons in general, and in hospital practice, apart from compensation cases, the evidences of those injuries are, as a rule, immediate and unmistakeable; and a patient with real loss of memory from affection of the brain, could no more make a statement of his own case than I could make a legal statement.

1427. You think that in many cases they deliberately sham the symptoms which they are told might possibly occur in such cases?—I do think so in many cases.

1428. Are they in communication with medical advisers?—I do not quite take the meaning of the word communication; they are under the care of medical attendants.

1429. Do you think that their medical attendants suggest to them those symptoms?—I do not think that at any rate in many cases. It is very easy for a patient to learn the drift of a medical man's inquiry, and to shape his own views of his condition accordingly.

1430. Are they respectable practitioners?—They are of all classes. My experience is, that many of the most honourable members of the profession, the moment they are aware that any case of accident is likely to be the subject of a money claim, thereupon instantly decline to have anything to do with it, because they well know that whatever may be the value of their scientific opinion in regard to surgical cases, that that opinion is rendered of comparatively little value, by the counter opinions of less respectable and less scientific practitioners which are brought against them when there is a money claim in question.

1431. Do you think that they frequently state previous diseases?—I have no doubt upon that subject.

1432. Do they claim compensation for the accident when in reality their state of health is due to some previous disease?—That is so; an unsound traveller will not only attribute the increase in any malady that he may be suffering from to the fact that he has met with an accident, but he will actually attribute the production of that malady to the accident.

1433. Have you had any cases of that kind?—I remember one remarkable case in which a child had a well-known scrofulous disease termed ozœna, which is a discharge of matter from the nose, and an action was brought, and damages were obtained before a jury for that case.

1434. That

1434. That clearly could not have been caused by an accident in any way?—It was impossible in that case; another very remarkable illustration which I recollect, was a case in which a man had an enormous rupture, which even descended down to the knee. This man was in a railway accident and sustained some slight bruises about the shoulder; I need not say that if he had received any injury to this rupture it would have been attended by serious consequences; the contents of what is called the sac might have been broken, in which case he would have died after a short time; but an action was brought not for the production of this rupture; that was going a little too far; but for the injury that that rupture had sustained, which was in reality none; and the case was determined by the man threatening to exhibit his rupture to the jury, and thereupon damages were paid to him rather than go to the jury.

1435. In the former case that you mentioned of the child, subject to a particular disease, did that go to the jury?—The case of ozœna went to the jury, and despite the evidence which was given that this case arose from a well-known surgical malady, considerable damages were awarded.

1436. Were the damages awarded upon the presumption that the disease was caused by the accident?—Certainly.

1437. Mr. *Denison.*] Do you remember the amount?—I think it was from 100 *l.* to 200 *l.* The child was not more than seven years of age.

1438. *Chairman.*] Then, upon the threat in the other case of exhibiting the rupture in court the company compromised?—The company paid several hundred pounds damages without going into court at all.

1439. Mr. *Sherriff.*] Why?—Because they felt satisfied that they could not convince a jury that a well-known surgical malady, of even such extraordinary dimensions as that, had not been affected by the railway accident. I myself even advised the company to settle. It was impossible that the man could have convinced a jury of medical men, because they would have seen at once the impossibility of a man with such a rupture being seriously struck on it without the blow producing very serious results.

1440. *Chairman.*] What is the next case that you can recollect?—A case in which a man sustained a very slight bruise, leaving hardly a mark upon his body, but a week or two afterwards a rupture was discovered. In that case the settlement lingered on for a year or two, and was then brought to the court in London, and damages to the amount of something like 1,500 *l.* were paid without going before a jury, because it was felt that the company could not convince the jury that the rupture was not caused by the accident. Another case which is well before my mind is one in which a woman resisted the settlement of a claim for a very slight injury to the knee, owing to the presence of varicose veins on the limbs, especially about the knees; she denied that there was any other condition existing likely to produce this state of things, and it was not until unmistakeable evidences showed themselves, that I discovered that she was pregnant. Varicose veins, as is well known, are a frequent accompaniment of pregnancy; she was the mother of many children, and on being taxed with pregnancy, she admitted that she had had such a condition of the veins before. A settlement of the case could no longer be prevented.

1441. Do you think that that was fraudulent?—I have no doubt about it.

1442. She knew perfectly well that the varicose veins were due to the pregnancy?—No doubt; I think she had had as many as 12 children before.

1443. Have you any other case that you think worth mentioning?—Not with reference to the unsound traveller; the remark which I would make with regard to medical men, and their interpretation of the extent of those injuries is, that they interpret accidents for which compensation can be obtained differently to what they interpret the effects of accidents generally, that is to say, that whilst as to the extent of the disability arising from ordinary accidents, there is no great diversity of opinion; there is almost always a serious diversity when there is a money payment to be obtained.

1444. Speaking quite generally, do you think that railway companies have been compelled under the existing law to pay very much more largely than they ought to pay?—I have, without any prejudice in my mind at all, no doubt whatever in making that statement.

1445. Partly out of court, and partly in court?—In both positions; in one almost as certainly as in the other.

1446. You act for the Railway Passengers' Assurance Company as well, do you not?—Yes, I do.

1447. Do the same remarks apply to that company?—There is a very curious point there, which I should like very much to mention to the Committee; in the Railway Passengers' Assurance Company, in case of accident, the payment is so much per week; 6 *l.* per week in case of complete disability, and a certain sum less than that in case of partial disability; so that the circumstances of the disability are determined easily by time. Supposing a man broke his leg; in the case of a simple break of the leg, I can see him, and say to him, "Well, you will be three months, more or less, disabled completely, and I will so report you," and he assents to that at once; it is a well-known fact, that at the end of a couple of months at least every broken leg is repaired, and it takes another month for the patient to learn its use again; but if that man happens to have sustained a broken leg upon a railway, I cannot get him to determine his claim at the end of three months, but he says, "I will settle with the Railway Passengers' Assurance Company when I have settled with the railway company;" and I have had cases of that kind over and over again.

1448. Mr. *Denison.*] Do they think that one settlement will prejudge the other?—Certainly; the one is limited and the other is illimitable.

1449. *Chairman.*] Is the Railway Passengers' Assurance Company always limited to a fixed sum?—A fixed sum of 6 *l.* every week.

1450. Supposing a man was injured for life, how long would that payment go on?—It cannot go on beyond 12 months.

1451. So that the extent of the liability of the Assurance Company is 6 *l.* for 52 weeks?—That is, I believe, what it amounts to. I am sure it does not extend beyond 12 months; but taking the case of a person who happens to be insured in the Railway Passengers' Assurance Company, and happens to be fortunate enough within limits to meet with a railway accident at the same

Mr. *Pemberton.* 27 June 1870.

same time, he says, "I will not settle with the Railway Passengers' Company till I have settled with the railway company."

1452. Does not the limit in the case of the Passengers' Company make it much easier for them to settle than for a company to settle where the liability is unlimited?—I think very much so indeed. I think it would constitute a very important feature in facilitating the settlement of these claims if certain payments per week could be made, and a period assigned; it is the illimitable nature of the damages which causes the mischief.

1453. You think that it is the illimitable nature of the damages which makes the extravagant demands, and compels litigation?—I do most strongly think so.

1454. Mr. *Sherriff.*] £. 6. per week would, at all events, only be paid till the amount was expended that the person assured for; if he assured for 300 *l.* they would not, I presume, pay more than 300 *l.* under any circumstances?—The plan is this: 3 *l.* per annum only is paid; and then, in case of an accident, they are allowed 6 *l.* per week during complete disability, but no more.

1455. Sir *H. Selwin-Ibbetson.*] If I understand you, there is a fixed sum paid in case of death under that company?—In case of death a fixed sum of 1,000 *l.*

1456. £. 1,000., or 6 *l.* per week, is the maximum of a payment in case of injury?—Yes.

1457. *Chairman.*] Does not it depend upon the fact that the man has got a ticket of insurance?—No, not at all; 3 *l.* per year insures 1,000 *l.* in case the death is the result of an accident occurring within the given time, and 6 *l.* a week during, I think, a year of complete disability; but you will have that accurately from Mr. Vian himself.

1458. A medical arbitration has been suggested to the Committee; what do you think would be the practical working of such an amendment of the law?—I think great benefit would arise from that. A surgeon advising a railway company is placed in the position of the greatest possible difficulty, because motives are imputed for his opinion; he may hold any possible position where he practices; he may be a teacher, or he may be a hospital surgeon, and he may give his opinion with every possible candour and ability, but because he is an officer of the company, the jury pay but little attention to him.

1459. What is your idea of medical arbitration; that a medical arbitrator should decide the amount of damage, or what should be his function? — He should decide the character and extent of the injury.

1460. And leave it to a jury to decide the extent of the damages?—The extent of the money value of the damages should be determined by a business man selected for the purpose, or by a jury.

1461. Would you call medical witnesses on behalf of the individual?—Certainly not generally. The course I would suggest would be, that an arbitrator should be selected by both parties, and an umpire be selected by them in case of disagreement, and they should be at liberty to call witnesses on either side.

1462. Then it should be first heard, as it were, before a medical arbitrator, who should decide upon the nature of the injury, and the evidence of it, or be decided by a jury as to the extent of the damage?—Either; supposing the medical arbitrator did this; we say that A. has sustained a certain injury, which will completely disable him for a given time, and at the end of that time probably he will be able to resume his employment.

1463. Sir *H. Selwin-Ibbetson.*] To continue this last question; do you imagine that such arbitration and such medical investigation would at all diminish the costs?—I do, very greatly.

1464. You state that the arbitrator on each side is to have before him any amount of medical eveidence in support of and against the case, which I presume is exactly what happens at the present moment, only that you in addition would increase the expense of medical evidence by the arbitrator?—I see that your question refers to the subject of costs.

1465. That has been a point which has always been placed before us, that one of the principal reasons against the present mode is, that the costs from medical evidence and from legal evidence, are so great as to force the railway companies into court?—I was rather directing my evidence to the question of excessive and unmerited damages, and I was thinking that the medical Arbitrators would, by the accuracy of their opinion on the character and extent of the injury, so limit the damages as that the question of costs would be comparatively unimportant.

1466. At the same time all the medical evidence, which on many occasions is of a costly nature, would still be incurred?—It certainly would, and I almost think must of necessity, be incurred, because it would be hardly fair not to hear both sides.

1467. Do you think that a medical officer appointed by some authority such as the Board of Trade, for instance, could not receive the evidence of the medical men who had been present at the accident, and that the evidence of the medical officers of the Board of Trade should be the only one received in court?—I think that is quite practicable. I think such a medical officer, appointed by the Board of Trade, might see the ordinary medical attendant of the claimant, and might see the ordinary adviser of the company, and the patient himself, and then the officer of the Board of Trade might report for the business determination of the claim.

1468. And his evidence should be the only evidence before either the jury or the court, whatever it might be?—I am entirely with you in that.

1469. With regard to the cases of injuries that have come before you, in many instances arising out of railway accidents, such as shocks to the system and nervous shocks; very often they are slow in developing themselves, are they not, because the very nature of a nervous shock is that its effects do not show themselves until after a certain time?—My experience is that a very serious injury is attended by immediate serious symptoms; still there are exceptions to that.

1470. I mean, spinal affections very often appear after a certain number of months; and yet, I suppose, you would hesitate to say that, supposing a patient had been healthy before, that was not the result of an accident?—I never myself saw an affection of the spine follow at a remote period from a serious injury. The symptoms come on, as a rule, immediately.

1471. Do you mean to say that paralysis invariably occurs immediately after the shock that produced it?—Certainly not, but as a rule I am speaking

speaking. I take civil practice, where we meet with the same, and, in fact, far greater concussions than they do on railways, and it is most rare in our experience to find symptoms coming on remote from the occurrence, unless symptoms have been manifested immediately after the injury.

1472. And yet you admit that that is sometimes the case?—Yes, certainly.

1473. And in those cases the examination of the patient at the time by the medical officer of the company might lead to a very erroneous view of the patient's real state if he was precluded from coming for compensation within a very short period?—In all cases of injury to the head, no surgeon who knew anything at all about his profession would attempt to say that he would determine the extent of the injury at the time.

1474. The Committee have been asked to limit the time in which claims should be made, and in many of those cases that would prejudice the patient very seriously, would it not?—Supposing a man met with a concussion of the brain, and lay, which he might do, for one fortnight without any knowledge of anything that was going on externally, and at the end of that time he came to himself, probably the medical practitioner sees that, by care and quiet during a given number of months, he will be restored to health. I could not promise you that that man would be as good at the end of five years as he was before. I am having experience of those cases every day of my life, and dozens of those cases have been settled with companies upon information given by surgeons, that they could not say when such and such a person would be well, but the symptoms made it evident at the time that the man had sustained a serious injury.

1475. My question rather referred to those shocks of the system which do not appear so visibly immediately, but appear after a few weeks or so?—I have not a belief in that. I was not taught it when I was a student, nor have I learnt it since I have been a practitioner, nor do I teach it to the students in my classes.

1476. But are there not accidents that arise in the hunting field, or from other causes, in which from some shock to the system an injury sustained does not manifest itself for some time?—They are very rare. Like blue moons, they are very rare.

1477. In cases of previous illness, may not an accident very seriously increase the illness and bring it to that state when it becomes a serious grievance to the patient, whereas before it was tolerable?—Unquestionably.

1478. The accident, then, is the cause of the complaint just as much as if it had originated it?—An accident may have a bearing upon an unsound traveller, and be the cause of death even, although with a sound traveller the same accident would not damage him at all. Take a man who has an aneurism of the aorta; the merest shake might determine his life.

1479. In the case you mentioned, in which immediately after the accident a rupture was found, you could not tell whether the man would have had a rupture if it had not been for the accident?—You could not.

1480. So that it was a natural presumption that the accident had caused the rupture?—That might be, but we know that, as a rule, rupture is the result of a gradual weakening of the parts, and whenever it occurs as the result of violence, it is attended by immediate danger, sometimes requiring an operation.

1481. But a shock, like an operation, giving the same shock to the system, might produce a weakening of the parts, which would cause a rupture?—It would be very likely to do that; it is not a matter that we take into consideration in speaking of the cause of hernia.

1482. You stated that the railway companies send their own medical man down to examine the patient, but, after a claim had been made, an arbitration takes place, does it not come before some other medical men, some of the principal medical men or surgeons in London, for instance?—Yes.

1483. And in case those medical men cannot agree, a reference takes place to some independent gentleman in London?—That is so frequently.

1484. And they always receive those cases, do they not?—I have known such cases occur.

1485. I mean there is no hesitation on their part to receive cases sent in that way, to give an opinion, in fact, on a question submitted to them as from the railway companies?—The great objection that I alluded to, which is made by the highest and most honourable members of the profession, is the objection which they have to encounter the misery of going before a jury, for the reason which I have previously stated.

1486. I suppose in that case, if it was referred to them for an opinion, they would have to go into the question?—Not in the case of an arbitrator, I think. Supposing a very eminent medical gentleman were requested to act as arbitrator in a certain case, he would simply give his award, and there the matter would end.

1487. I do not mean that; I mean that if the first two opinions do not agree, and an opinion is sought from some higher authority, that opinion is all the evidence in the case, and that evidence would be all that would come before the court?—When a gentleman is asked to give his opinion he would say this: I will give my opinion, but I will not give my opinion if the case is to come into court.

1488. Is that always done?—I have known that done on the part of a great many of our ablest professional men, who entertain the same views. They say that they will not come into court; not that they are unwilling to adjudicate in any given case of injury, but they want to avoid coming into court.

1489. We have had it in evidence that a very large part of the costs arise out of the immense charges of medical men, and men of high standing, who appear in court?—I have no doubt that that is so.

1490. From which one would argue that they do appear?—A certain number of them do appear, unquestionably. I was not aware that that was the object of your question, or I should have given the answer sooner.

1491. Mr. *Denison.*] Have you been in the habit of giving evidence in cases of railway injuries, as well as advising the railway authorities?—I have.

1492. Up to the present day or previously?—Up to the present day.

1493. Have you also been frequently commissioned to pay and settle the money compensation in the case of a *bonâ fide* injury?—In early days such was the plan adopted by the railway companies; but perhaps I may be permitted to explain

Mr. *Pemberton*, 27 June 1870.

explain that plan. I never attended any case of a railway accident myself. If an accident occurred, the nearest medical man was requested to attend the case, and I then saw the patient with him; and if when the patient was fairly recovered he was willing to determine his claim, a tribunal of the medical attendant of the patient, and myself, instructed by the company, would determine it; and if he were willing to accept a given sum, some years back that sum was paid him, but never under any circumstances by myself alone.

1494. You mean that the money did not pass through your hands?—Certainly not; but that plan has many years been at an end, because the judges expressed an opinion that the medical officer of the company should have nothing whatever to do with the £. *s. d.* That was some five or six years back, and since that period the plan adopted by the railway companies, whom I have the honour to represent, namely, the Midland and the London and North Western, is this: I report to them as to the nature and extent of any given injury, and the probable, partial, or complete disability that may ensue, and the business man of the company then estimates the money value of it. This, it is presumed, is a friendly adjustment, but under no circumstances has the consulting officer of the company anything to do with the £. *s. d.*

1495. Have you dealt directly with the claimant's medical attendant, or the legal adviser in those exceptional cases in which you were commissioned to settle the claim?—Not with the legal adviser, but with the patient and his own medical attendant. When a case came into the hands of his legal adviser, it went into the hands also of the legal adviser of the company.

1496. I think you told the Committee that when you have had to deal with medical gentlemen of character, you have not in your experience found much difficulty in cases of undoubted injury in arriving at a satisfactory settlement?—No difficulty whatever, in many hundreds of cases. If a man lost his leg there was never any difficulty in settling with him.

1497. I suppose that that observation would not apply to cases in which the legal adviser intervened?—Certainly not; of course I make that observation with great reservation. There were many instances where the opposite was found to be the case.

1498. If the plaintiffs knew that their claims were to be adjusted by a tribunal composed of a judge, on a commission, assisted by a medical adviser, do you think, as the medical adviser of the company that they could readily and satisfactorily settle many fraudulent cases which are now litigated, that is assuming that the plaintiffs knew beforehand that their claims would have to be adjusted by a tribunal of experts?—I think so. I think they would never come before the experts. The feelings of a jury are what they look to as in the case of the man I mentioned who had a large rupture.

1499. According to your experience, do juries give damages with reference to the actual state of incapacity in the plaintiff, and ignore the previous debility and unsoundness, except on special directions from the judge?—Absolutely I have not known a single exception in which an unsound traveller did not before a jury graft that unsoundness on the railway accident.

1500. You have had very large experience also, have you not, of cases of nervous shakes?—I have, as surgeon to one of the largest hospitals in England. I am not simply speaking as consulting surgeon to those companies, but I am speaking as a professor of surgery, and as surgeon to a great hospital.

1501. In those cases, is it an exaggeration to say, that the medical advisers of the companies are almost entirely at the mercy of the patient's description of his own symptoms?—That is so; they are almost entirely at his mercy; it is a question of *bona fides*.

1502. Is not any evidence which the company's medical adviser might give before a jury looked upon with extreme suspicion, as opposed to the plaintiff's own statement of his case?—That is so, although in a previous case, probably on the same day that he has given evidence in a corresponding accident, his opinion has been listened to with respect. It is a question of money payment at the end; it seems for the moment to damage the respectability of the medical man who is giving his opinion adverse to it, although he is only speaking the truth. That is what medical men feel in going before juries in those cases.

1503. Mr. *Plunket.*] We have heard from several witnesses, that of late years a class of medical men have grown up side by side with a certain class of legal men, who make rather a trade of these injuries; is that your opinion?—Yes, it is so.

1504. I suppose you would suggest that a medical referee of high character and quite independent would act as a great check upon that class of practitioners?—I think it would absolutely put a stop to them.

1505. That would act in two ways; in the first place they would not venture to give the same evidence as they give to a jury; and secondly, perhaps some of them might be personally known to the referee?—That is exactly so; take one's own district where men are educated at one's own school, they would not think of doing such a thing.

1506. And I suppose that the advantage arising immediately in such cases is, that of the child afflicted with ozœna, that no medical man would venture to give evidence to the effect that that was caused by a railway accident?—Precisely so.

1507. And also in the case of rupture?—Yes, in the case of rupture of the kind that I described, and also in the case of varicose veins in connection with pregnancy; those are only illustrations amongst many.

1508. Mr. *Sherriff.*] With regard to this class of medical evidence which has been alluded to, you generally see the same faces, do you not, and they are a distinct class of medical men who appear in those cases?—I think that is very much so.

Colonel WILLIAM YOLLAND, called in; and Examined.

1509. *Chairman.*] YOU are, I think, an Officer of the Board of Trade?—I am one of the Inspectors of the Board of Trade.

1510. Have you been frequently employed in investigating the causes of railway accidents?—Yes, since 1854.

1511. Upon many occasions during that time?—In a very large number of cases.

1512. Have you made reports to the Board continually?—Whenever a serious accident takes place, the Board of Trade are in the habit of sending an inspecting officer to the locality, and by the permission of the railway company he makes inquiries as to the circumstances and facts that have accompanied the accident, as far as he can learn them by actual inquiry, and by investigation of the locality itself, and then he reports those facts and those circumstances, and the conclusions which he arrives at, as to the causes that have produced the accident.

1513. Is your authority drawn from Act of Parliament?—No, it is not; it is entirely permissive.

1514. Do you think that there is any lack of sufficient authority?—I think that the inspecting officers, in the first place, are placed in an invidious position, requiring them to make inquiries into the conduct, frequently, of a large number of persons, and the conduct of the company at large; and they are, under such circumstances, called upon frequently to express harsh opinions, which I do not think they should be called upon to do, unless it were required by Act of Parliament.

1515. Is there no sanction by Act of Parliament for the duties which you perform?—Not for those inquiries; the Board of Trade are empowered to send inspectors to the locality to look at the place where accidents occur; but they are not empowered to ask for the attendance of a single witness, or to ask a single question, and everything that they gain is supplied by the railway company; but they are not empowered to hold a public inquiry, or to obtain any information if the railway company does not think proper to give it.

1516. It is not compulsory that they should be called before the coroner's inquest?—Certainly not; the Board of Trade inquiry is a private inquiry.

1517. You merely report for the information of the Board of Trade, and your inquiry is so made at the instigation of the Board of Trade?—It is.

1518. Can you put in any reports that you have made to the Board of Trade?—The reports on accidents are regularly published and laid before Parliament; but of the two particular reports, which I am desirous to lay before the Committee, bearing upon the question of accidents, one has reference to what is called the permissive system of working employed upon a part of the London and North Western Railway, and the other has reference to the expediency of adopting by compulsion the block system for all the railways in the United Kingdom which are not worked by a single engine in steam.

1519. Have you any results from the statistics of the accidents that you have obtained?—I have. There has not been time to print it, but I have prepared a Table which shows the number of accidents during the years 1867, 1868, and 1869, that have occurred on every line of railway in the kingdom, that have been investigated by one or other of the inspecting officers, and distinguishing also what number of them are collisions. It also shows the number of passengers and servants of the company killed or injured on each line in the kingdom, amounting to 97 killed and 2,175 injured, and there are a few short remarks showing the manner in which some of those railways are worked. (*The Witness delivered in the same.*)

1520. Does that return include such cases as a man pinching his thumb by the closing of a door?—No, we do not inquire into that class of accident.

1521. So that such railway accidents as people tumbling down in the stations are not included?—No; they are almost entirely accidents that occur to the trains; not such cases as a thumb being squeezed by the handle of a door and so on.

1522. You are very well conversant with the block system, are you not?—I think I can speak as to what the block system is.

1523. Are you not very strongly in favour of its adoption?—I am very strongly in favour of it. It is quite possible that I look at the matter entirely with a view to the protection of the public; my bias may be supposed to be entirely on that side.

1524. It has only, up to the present time, been partially adopted, I believe?—Very partially. It is adopted, as a rule, only by the small companies.

1525. Is it not adopted by the Great Northern Railway Company?—The Great Northern is a large company, and the block system is adopted to a very slight extent on the Great Northern; only over 68 miles.

1526. Do you think that the expense of adopting the block system throughout the whole kingdom upon large as well as small lines would be very great?—Looking at the actual cost per mile that has attended the construction of those lines, the expense of the adoption of the block system would be very small indeed, when compared with the total cost of the construction of the lines per mile. In the case of a new line of railway, it is no hardship upon that new line of railway to make its arrangements for working on the block telegraph system from the outset, instead of working according to the ordinary method.

1527. What would be the kind of cost of adapting it to every established line?—It varies according to the amount of traffic and the local circumstances; in fact, it may run up in some cases possibly to 100 *l.* per mile, and it may come down to 20 *l.*

1528. Is your opinion equally strong with respect to those portions of lines where the traffic is comparatively small, as to those portions where the traffic is comparatively great?—If the Committee will bear with me for one moment, I beg to say that I gather from the bulk of the evidence which I have been permitted to see, which has been given by the gentlemen appearing in the interests of the railway companies before you, that it seems to be admitted by most of them that where the traffic is dense, where there is a large amount of traffic, the block system may properly be established. I further gather from that evidence that the question of cost has little to do with the non-introduction of

Colonel *W. Yolland.*

27 June 1870.

the system, and they state that the companies are only anxious to provide for the safety of the public. I next couple it with the fact that nearly all the small railway companies in the kingdom have voluntarily adopted that system for working their traffic; and as the amount of traffic on those lines is small when compared with that upon the long lengths belonging to the large companies which are not worked on the block system, I infer from these facts that there would be no grievance in obliging the large companies to work the whole of their systems on the absolute block principle.

1529. Would you give power to the Board of Trade to compel them to do it?—I would rather see the power given by Parliament.

1530. But should it be done by direct Act of Parliament, rendering it compulsory upon the railway companies to adopt the block system?—I think it would be more desirable that it should be done by Act of Parliament. You are probably aware that great pressure may at times be brought to bear upon the Board of Trade, if it is not a case of compulsion by Act of Parliament.

1531. Speaking generally, do you think it is a desirable thing that the Board of Trade should have the power of insisting upon particular modes of working upon a line of railway?—I do think so. If it is not given by Act of Parliament, I think it should be given to some public body, the Board of Trade, or some other public body.

1532. Have you read the evidence of those witnesses who have spoken strongly against their having any such general power?—Yes, I have. I have read all except that given on the last day, which I have not had time to read, but I have read the evidence taken on the three previous days, and it is very strong; but I am obliged to come to a different conclusion from the general managers who have been before you, because my argument is, that an accident on any line of railway in the kingdom, when inquired into, and the circumstances correctly ascertained and the report published, should be valuable evidence for all the other railway companies in the kingdom. But it is in evidence before you from some of the general managers that, until it comes home to themselves by the same thing occuring on their own line by some unaccountable means or other, it is unheeded, it is passed by. (*See* answer to question 418.)

1533. Do you think in the case, we will suppose of this unfortunate accident which has just occurred on the Great Northern, the effect of that accident is to direct attention to the state of the axles; do you think that the Great Northern Company will be careful about the state of their axles, and that the other lines will not be careful about them until an accident occurs upon the other lines?—I can give you a good instance. In 1862 a collision occurred at the Walton Junction, close to Warrington, on the main line of the London and North Western Railway, between London and Scotland, in which one of the servants of the company was killed and another was injured. My colleague, Captain Tyler, reported at the time that it was very desirable at that junction to do certain things, and the report was sent to the London and North Western Railway Company, but it was unheeded. It was in due course published and presented to Parliament, and therefore the report would be open to every other railway company in the kingdom to see it; and yet in 1867 an accident occurred at that junction by which eight people were killed and 70 were injured, which could not have occurred at all there, if the recommendations contained in my colleague's report had been carried out. To carry it still further, the first inquiry took place in 1862. A second followed after that serious accident in 1867. A report was made and published detailing, as I believe, very correctly all the facts. The Thirsk Station on the North Eastern Railway was remodelled subsequent to 1862, and yet in May 1869, a similar accident occurred at that station in consequence of the facing points not being protected by a signal, which accident could not have occurred if what is termed the locking apparatus had been introduced at that station. Hence, from many similar cases, I arrive at the conclusion that unless a bad accident occurs on its own line of railway, generally speaking, those accidents only constitute a nine days' wonder, the reports are not attended to, and I will be responsible that there are thousands of cases on the railways of the United Kingdom at the present time where those facing points still exist, unprotected by any signal whatever.

1534. Do you think that it would diminish the responsibility of boards of directors if the Board of Trade were empowered in this way?—Not one particle; and for this reason, certain lines of railway at the present time, single lines, are only opened upon compliance with certain conditions, and this compliance does not diminish the company's responsibility, and not only certain single lines, but certain double lines. The Metropolitan, for instance, would never have been opened except we distinctly understood that it was to be worked on the absolute block system. The Charing Cross line could not probably be worked for a fortnight without serious mishaps if the absolute block system were not in operation on it, and if the inter-locking of points and signals had not been well carried out on that line.

1535. With respect to the block system, you think it so important a matter that you would compel it by Act of Parliament, and not leave it to the Board of Trade?—I belong to the Board of Trade; but I think the Board of Trade is very susceptible to influence as regards railway matters. I am bound to tell you what I honestly think, and my opinion is confirmed by Mr. Forbes's reply to question 1206.

1536. Would it not be susceptible to influences of an opposite description, some antagonistic to railway companies and some in favour of them?—It has done this; it has enforced the absolute block on a railway company on a double line of railway, and that has diminished in no way the responsibility of the railway company, for accidents have occurred on that very line, and compensation has had to be paid for those accidents.

1537. But would it not be susceptible to influences of this description, for some reason or other not founded probably upon sufficient investigation; there is a popular demand for some particular change; would not a weak board be likely to insist upon it without having sufficiently ascertained whether it was desirable or not?—I would beg to explain that I believe the inspecting officers make a point of never recommending anything to be carried out by a railway company but what they know can be practically carried out, and but what has been carried out on some other line,

line, and well carried out. The Committee have been informed, I think, that the inspecting officers had something to do with the question of the communication that should exist between passengers and guards, and drivers. The Committee have been misinformed; they were not consulted.

1538. On those various questions, such as the expediency of shutting the doors, or securing a communication between passenger and guard, do you think it would be desirable that the Board of Trade should have the power of making an order upon the railway companies?—I do think it expedient as regards the means of communication between passengers and the servants of companies in charge of trains.

1539. Then they would take the responsibility of deciding whether the doors were left open or shut?—I should never have the slightest hesitation, if called upon, to give an opinion upon the subject of having it done. I consider that I should have done my duty, although it is quite possible that I may arrive at a wrong conclusion.

1540. Do you think that it would be desirable that the Board of Trade, drawing its information, as it would have to do, from its inspectors, should have the power of making a compulsory order upon a railway company to do things of that description?—Yes, I do think so.

1541. With respect to workmen's trains, there is power, I think, for the Board of Trade to investigate accidents?—There is power for the Board of Trade to appoint an arbitrator, who shall investigate the circumstances of the accident where the compensation is limited to a certain amount, and to decide upon such cases under certain special Acts.

1542. Have you been employed as arbitrator in any case of that kind?—The Board of Trade is also empowered to appoint an arbitrator under the Regulations of Railways Act, where both parties are consenting. Two cases of the appointment of an arbitrator have been made under the Regulation of Railways Act, and one under a special Act relating to workmen's trains. I was appointed the arbitrator in two of those cases, and some other gentlemen in the third.

1543. Did that administration of justice give satisfaction?—The workman's case was rather a peculiar case; it was somewhat analogous to the case of the lady at one of the stations on the Great Northern line, who put her foot into a hole in the carpet, fell, and was injured. In the case of the workman it happened to be that he slipped upon one of those brass ventilating plates between one floor and the other, as he was running out of the station after he had got out of the train, and broke his leg; and although the amount was limited, it was my duty, under the circumstances of the case, to decide against the workman. I was sorry to be obliged to do so, but I felt that there was no claim. In the other case, under the Regulation of Railways Act, which I inquired into, it happened to be wholly and entirely a medical case. There was no doubt about the injury, but the questioned turned entirely upon what was the amount of injury which it resulted in, and by the Regulation of Railways Act the arbitrator had the power of calling in a medical referee. A medical referee was called in in that case, who examined the plaintiff, and who assisted me as assessor in the case. He did not give evidence, but he assisted me in the examination of the medical testimony for the plaintiff and for the company, and very conflicting the medical testimony was.

1544. Should you recommend an extension of that system of arbitration?—I think it would be a very good thing.

1545. You mean arbitration under the authority of the Board of Trade?—Yes, I think it would be a very good thing.

1546. Should you recommend an extension of the system of limitation of liability, such as is now in force with respect to workmen's trains?—I have a distinct theory for my own part, that if the absolute block system were adopted, that is, not as carried out in many places, but carried out so that nothing shall come on to the line on which a train is running, without the consent of the signalman who gives the electric signal, and who also works the outdoor signals, that nothing shall come on to his line without his permission, without his act, in fact, I believe that collisions would vanish, or almost entirely so; and under those circumstances, I think the fares are high enough to cover the liability that at present exists.

1547. Then you would do away with the limitation of liability upon workmen's trains that now exists?—No, I would not do that at all; where companies decide to carry at an unusually small fare, I think that the question of limited liability may fairly be kept up, and extended.

1548. At the present moment there is a limitation of liability with respect to workmen's trains, and I wish to know whether you think that that system should be extended, or done away with, or left exactly as it is?—I think, so far as workmen's trains are concerned, it is on a good footing at the present time.

1549. But that only applies to one or two companies, I believe?—Only to two companies.

1550. Would you apply it to other companies?—I think it might be, fairly.

1551. To all other companies in the neighbourhood of large towns?—I think so.

1552. Would you limit the application of the system to those cases where the fares were specially reduced?—Yes, I would; I think that the maximum fares are quite high enough, as a rule, to cover the insurance against accident.

1553. With respect to the block system, you say that your opinion is, that the complete use of the block system will almost prevent the possibility of collision?—It is so, except at terminal stations, where occasionally the trains will, by the default of the engine-drivers, run against the stationary buffers.

1554. The block system depends upon it being properly worked, that is to say, if anyone of the persons who is at the telegraph makes a mistake, or anyone who gives the signal makes a mistake, then the block system ceases to be useful, and I want to understand whether it does not depend upon a certain number of persons executing their duty properly?—It may be made to depend wholly and solely upon the persons in charge of the train; I was proceeding to explain that it is quite possible that the signalman shall be prevented by mechanical means from giving the signal for a train to follow another that has passed his post, until that other is known to have passed the advanced station.

1555. Assuming it to depend entirely upon the persons in charge of the train, if anyone of the persons in charge of the train makes a mistake, what

Colonel *W. Yolland.*

27 June 1870.

what would you say?—If the driver will run against the signals, collisions will still occur.

1556. If it depends upon the driver running against the signals, is not that a very frequent cause of accident?—A very large number of accidents occur at the present time from the driver running against the signals.

1557. That is an accident which would not be remedied by the block system?—Yes, to a great extent it would; because, if he runs against the signal the other train will probably be a mile off, or it may be half-a-mile off, from the signal that he runs against.

1558. Still if he does run against signals the system would be of no use?—Collisions may still occur.

1559. So that it is dependant, after all, upon the persons who work it, all doing their duty?—Yes.

1560. If anyone of those persons who works the signals fails in his duty, all the beneficial effects of the block system fail?—If the drivers or signalmen fail in their duty, collisions may still occur.

1561. Is it not the case that the great majority of accidents happen by the failure of duty upon the part of some one person?—A great number of accidents do occur from those circumstances.

1562. Is it not a question of degree after all whether the chance of accidents under the block system is greater or less than without the block system?—It is a question of degree. My impression is that 90 per cent. of the collisions at least would go.

1563. You are not now referring, I presume, to any sort of accidents except collisions?—Just so; the block system is applicable to the prevention of that class of accident.

1564. Do you think that it would materially diminish the chance of collision?—I do not think about it; I am sure. I think that the returns and report which I have given in will prove that to be the case.

1565. Do you think that the management of lines is open to censure at the present moment?—In that way.

1566. But in other ways?—I think simply as regards the mode of working the traffic; the working of the railway system in other respects is very good indeed, and very admirable; it is only as regards the question of the mode of working their traffic and making their line safe, that I differ from railway managers

1567. Is there any other material defect that you could call to the attention of the Committee, except the fact of their not adopting the block system?—There is the interlocking of points and signals, which I look upon as absolutely essential to the proper carrying out of the block system.

1568. Mr. *Sherriff.*] You consider that as a part of the block system, do you not?—It is not strictly speaking a part of it; but there can be no block system properly worked unless it is mixed up with interlocking points and signals.

1569. *Chairman.*] That you would also make compulsory by Act of Parliament, would you not?—At the present time we do not allow new lines of railway to be opened without insisting upon the interlocking of points and signals; but we have no power in the matter as regards lines which are already open for traffic. Many of the old companies open new stations on their lines of railway, who do not adopt those precautions, and very frequently we are not called upon to inspect those new stations. That was the case of a station in the celebrated Abergele accident.

1570. Do you think that there is any defect in the powers of the Board of Trade with reference to the inspection before a line is opened?—No, I do not, as regards the inspection of works.

1571. Do I understand you rightly to say that the Board of Trade never allow new lines of railway to be opened, unless arrangements are made for working the block system?—It is doubtful whether the Board of Trade possesses that power, and it has only been attempted, and not resisted, in two or three instances.

1572. Then they do not practically go upon that principle?—No, they do not.

1573. Have you had any cases of negligence on the part of railway companies before you?—Some information was given to the Committee on the part of the judges that they saw no cases of culpable negligence, but I wish to say that it is a perfectly well known fact that where the negligence is admitted, the particulars relating to negligence do not come before the judge at all. It frequently is the case that in little collisions and mishaps, where nothing serious occurs, there may be far more negligence than in the worst accidents that are brought before the public.

1574. Have cases of that kind come before you?—Yes, frequently.

1575. Where you think there has been culpable negligence?—Yes, I speak particularly of the case of Walton Junction; I cannot tell you where the culpable negligence existed; but I do hold that there was culpable negligence somewhere or other to permit a junction to remain in the same state up to the year 1867 that it was in 1862, when my colleague recommended that such and such a thing should be done; I do not pretend to fix the blame, and say who was guilty of the negligence, but it was a gross case.

1576. Have you any other suggestion to make to the Committee as bearing upon this part of the subject?—No.

1577. Sir *H. Selwin-Ibbetson.*] When you state that a number of collisions would be saved by the adoption of the block system, collisions are a very large proportion of the accidents that occur, are they not?—A very large.

1578. In fact, I see in three years they constitute more than two-thirds of the accidents that occurred?—Yes, about two out of three.

1579. Are those collisions what may be called collisions proper, that is to say, one train running into another?—There are some few exceptions included in that return, where the collision has been with a stationary buffer at the end of the line.

1580. You have eliminated from these, I presume, all collisions that have occurred from the points being set wrong?—No, the Walton accident is included there as a collision.

1581. Because they are returned in your reports to the House as separate collisions, in a separate table?—Possibly so. I did not make out that return; the one which I have handed in I have made out myself.

1582. Of course, if you can reduce the number of people who have the directing of the working of the trains, you increase the safety by reducing the number of people who can misapply signals and other things?—It is desirable, as far as possible, to diminish the number of persons who shall work the points and signals.

1583. I understood you to say, in answer to the

the Right Honourable Chairman, that modern inventions would enable you to limit that discretionary power to the driver of the train?—Just so.

1584. That the previous train would itself record mechanically its arrival?—Yes, at the back station it may be made to do so.

1585. Consequently, you would limit the discretionary power to one man in charge of the train which was coming on from the back?—Yes, that would be so.

1586. One may naturally infer from that, that as you limit the number of people you would diminish the number of accidents?—Yes; you would diminish the chances of accident largely.

1587. It has been put before the Committee by the managers of the railway companies that the objection against the block system is, that not only are the drivers less cautious under the block system in driving the train, but the signalman is liable to make mistakes in his signals, and to bring trains together?—I do not think it is the case. I think that if the Committee wished to see a good instance of the working of the block system, they have nothing to do but to go to the Metropolitan Railway; that is a capital instance. On that point I would beg to state that I think one of the witnesses has been mistaken in describing the block system as experimental, as immature, and so on, when there really is nothing much more perfect than the block system at the present time. See reply to Q. 406.

1588. From your own experience you can speak to the fact that accidents do happen less frequently on lines where the block system is established than on the general lines in the kingdom?—I am certain of it.

1589. Do you see any difficulty in working the block system on lines where there are long intervals between the stations?—The distance at which the block telegraph stations must be placed from each other, entirely depends upon the interval of time at which you require to work the traffic over the line. Say on the Metropolitan Railway, for instance, they have to work the trains there at intervals of three minutes, and I believe under, in some instances.

1590. It would be perfectly practicable, would it not, to work a line with intervals of five miles?—Certainly; but then you cannot work so many trains; it limits the amount of traffic over the line.

1591. You are aware, are you not, that it is worked with intervals even longer than that on the London, Chatham, and Dover line, one of the long lines in the country?—Yes.

1592. I suppose you think it is only a question of the first expense in creating a certain number of telegraph stations, which prevents its universal adoption?—I believe that is the only reason.

1593. Mr. *Denison.*] And the expense of maintaining of them also?—Certainly.

1594. Sir *H. Selwin-Ibbetson.*] But at the same time maintaining a staff to superintend those stations and maintaining the stations themselves, would not probably amount to the loss to the company that the present accidents bring upon them?—I am satisfied that worked in a proper way it would be advantageous for the railway companies to adopt it, looking at it merely in a commercial point of view, with reference to the sum paid for compensation and the damage done to the rolling stock.

1595. For the last two years, certainly you, in conjunction with the other inspectors of the Board of Trade, have reported upon many of the lines of the country very strongly in favour of the adoption of this system?—We have.

1596. And you have found, have you not, that those reports are not very much attended to?—I believe they might just as well have been thrown into the waste paper basket.

1597. That neglect of the Government reports applies to other things besides the block system, does it not?—Yes; we are said to give the facts in connection with accidents very accurately; that is stated of us; but that we are constantly wrong in the conclusions that we draw from them.

1598. I think you stated, and it was stated also by other inspectors, that the carriage of combustible matter was highly dangerous, and you brought the matter several times before the notice of the companies?—Yes, two or three cases occurred.

1599. Abergele for one, and one on the London and Brighton line?—Yes, and there was an explosion of gunpowder on the Carlisle and Lancaster line.

1600. I see that in the second case your report is that no attention was paid to your former report?—I did report so.

1601. Do you think there would be any objection to giving to the Board of Trade the power in such cases as interlocking points, and signals, and door locking, of ordering the adoption of them on the railways on the old lines?—They have it at the present time as regards new lines, and I do not think that there is any objection to giving it with regard to the old ones.

1602. The objection that they have taken to imposing the block system in that way would not apply to the minor details, such as greater break power, and with regard to the locking of doors, or interlocking signals?—It is a different case.

1603. You think that the Board of Trade might have the power given to it to enforce such alterations?—I do.

1604. Would you limit the power of the Board of Trade to recommending any system which had been constantly reported on, or to a system when it was first reported?—I do not think it would do for any inspector to make a point of pressing upon the Board of Trade the adoption of anything that had not been well tried, and tried for a considerable time, so as to ascertain that it was thoroughly applicable.

1605. You would see no objection to giving to the Board of Trade a power on the constant reports of their inspectors that certain alterations upon a line would be beneficial to the public, of submitting a resolution, say to the House of Commons, which should lie upon the table for a certain time, in order that objections might be raised to it, and which after that, would have the force of law as against the company?—I do not see any objection.

1606. I presume you would naturally say that the inspectors of the Board of Trade from visiting a number of railroads, and seeing the defects in the working of different railroads, are more likely to be judges of what would be beneficial to the public in changes of this sort, than the directors of the actual line?—I think so.

1607. The directors of the line in question may be influenced to a certain extent, may they not, by the question of expense?—Yes; the question

Colonel *W. Yolland.*

27 June 1870.

tion of expenditure may be one thing that would influence them; but what I think is a far more potent cause of influence, is an unwillingness to adopt things which do not originate on their own lines generally. I do not mean to say that there are not a great many exceptions.

1608. You think that this amount of compensation which is given by juries, is, to a certain extent, if not to a very great extent, the means of safety to the public?—I should be very sorry to see that amount of compensation diminished unless further powers are given to the Board of Trade, or enacted by Act of Parliament.

1609. That which is asked for is that a limitation should be put upon the amount of damages which could be recovered against a company; you think, do you not, that in the interests of the public, there ought to accompany that some greater power to the central authority for enforcing the adoption of improvements in the working of different lines?—I think so.

1610. Under those circumstances, with that greater power, you think there would be no objection either to a limitation of the compensation or to the alteration of the authority before whom such compensation was tried?—No, I think not.

1611. With regard to the rules adopted by companies generally, do you find that they are enforced upon their servants?—I think that, notwithstanding all the experience that the railway companies have at the present time, different views are still maintained with reference to the question of passing signals, for instance. The officers of the various railway companies cannot agree upon that point, even at the present moment.

1612. But my question was whether the rules which the company have laid down for the direction of their own servants are not found to be constantly evaded with impunity, because I see by your reports that the attention of the public is constantly called to the fact that a good and efficient code of rules exist which ought to have prevented accident?—That is the case of the absence of a proper state of discipline, or retaining in their regulations those which are practically obsolete.

1613. Do you think that that state of discipline is not carried out as it ought to be?—I do not think it is very high in many cases.

1614. That, of course, applies to the question of engine drivers in passing signals?—Yes, of course it does. In many cases I think a bad example is set to the engine drivers by the officers of the railway company in riding on engines in passing signals that are actually at danger when those danger signals are against them.

1615. Have you had any experience on different lines of the deficiency of the present break power?—Yes, I have had a great deal of experience of that kind also.

1616. Do you think that the system of a continuous break would be an additional protection to the public?—I do think so. There are a great number of cases where, for instance, long trains are made up of three or four carriages and a break-van going to one place, and three or four carriages and a break-van going to another place and so on. I think that it would be an additional protection to the public if, for instance, continuous breaks were placed upon those carriages in connection with the van that belongs to them.

1617. Of course, as you increase the break power you diminish to a certain extent the chance of accident?—You diminish the distance at which you can stop from three-quarters of a mile, 800 yards and so on, to one-third or one-fourth of the distance.

1618. Do you know any lines on which continuous breaks are at present working?—They are worked almost entirely over the Lancashire and Yorkshire Railway.

1619. Mr. *Sherriff.*] That is Newal's break, is it not?—Yes, that is Newal's, and also Fay's, break. There is a different kind of break on the Metropolitan line, and another kind of break is worked upon the North London, but I should tell you that with regard to those two last lines, namely, the Metropolitan and the North London, I believe the main object why the continuous breaks are used there is to enable the companies better to compete with the omnibuses; that is to say, they run as fast as they can between the intermediate stations, and they stop in as short a time and distance as they can. I believe that that has been the reason why continuous breaks have been employed on those lines.

1620. Have you not examined into accidents that have arisen from trains being supplied with those breaks?—We have frequently had before us the small results of collisions, which (perhaps erroneously) we have attributed to the fact of their having a larger proportion of break power by means of continuous breaks.

1621. It has been stated that accidents were known to arise from the sudden application of the break power to the carriages; has your experience, from your inquiry into accidents, shown you that that was the case?—I have been running down an incline of 1 in 40 at between 60 and 70 miles an hour, and have had continuous breaks put on without any mishap, and I do not believe in their causing any accident.

1622. And of course where, if applied, they would enable you to stop very much more easily, they would diminish the number of accidents in fogs, and so on?—Yes.

1623. They would therefore be a valuable addition to the block system, if established?—Yes, I think so. I would only wish to add that the block system as carried out is an addition, so far as signals are concerned, to what already exists on all passenger lines of railway. It takes nothing away, it only adds to them.

1624. *Chairman.*] But witnesses have stated that they substitute mechanical skill for individual skill?—I certainly do not agree with that opinion. I believe that engine drivers are a capital body of men, and I do not think that their vigilance is relaxed by that fact.

1625. You do not think that the effect of a system depending upon mechanism is to diminish the vigilance and care of the persons conducting the engine?—I do not.

1626. Sir *H. Selwyn-Ibbetson.*] Do you see the force of the objection to the block system that has been taken on account of the number of accidents that might happen at stations?—No accidents would happen at stations any more than anywhere else, if all the arrangements connected with those stations are made symmetrical.

1627. You think that, in fact, under the block system you would keep your stations as free from danger as the rest of the line?—Yes, just so; the large stations will probably require a block telegraph at each extremity to avoid long delays.

1628. Mr. *Sclater-Booth.*] I understand you to

to say that you not agree with what Mr. Forbes has stated as the result of his experience, that engine drivers have become more careless where the block system has been established?—I do not think so, as far as I can see, and I have made inquiries on the subject of the superintendents of railways.

1629. Although he has stated that as the result of his experience, you do not agree with it?—Looking at the returns of the London, Chatham, and Dover Company during the last three years, I find that they have not had a single collision that the officers of the Board of Trade have been directed to report upon.

1630. Mr. *Winn.*] Will you state more particularly in what way you think the Board of Trade wants strengthening?—In the power to order things that are absolutely necessary to provide for the public safety.

1631. Why should not an Act of Parliament do the same thing?—I quite agree with you; if you enact a thing by Act of Parliament there is no necessity for the Board of Trade to do it.

1632. You do not agree, then, with some witnesses whom we have had, that if the responsibility was thrown on the Board of Trade it would rather tend to make the general managers and other officials careless?—I do not agree with that at all. I think that at the present time the Board of Trade does interfere with railway companies, and that the result is no diminution of responsibility on the part of railway companies.

1633. You have told us that you have no fault to find with the management of railway companies, except with regard to their not adopting the block system?—As regards the mode of working the traffic, and the absence of the block system is one, an insufficient amount of break power occasionally comes out; not very often, but sometimes; and I look upon it as an accidental thing rather than as the result of a system.

1634. You have told us also that you know thousands of cases on the various lines of railway where facing points are still left without signals?—I believe that that number might be found throughout the kingdom at the present time. I have no absolute knowledge, but I am quite sure that there is a very large number of facing points entirely unprotected.

1635. But is it the fact that a great number of cases of accident do occur where facing points are not guarded by signals?—Yes; a large number of cases do occur from that cause.

1636. Either distance signals or signals at the point?—Either one or the other. In some cases it may be done by a distance signal, and in other cases, it may be done by a station signal; but in those cases where these accidents so frequently occur, they are not locked, and the men are not prevented from making a mistake when they can be mechanically prevented from doing so.

1637. You think that in cases of that sort the Board of Trade ought to have the power of directing the companies to place signals at those facing points?—I do think so.

1638. Would it be a very great additional safety to the trains if that were so?—I think so.

1639. Do you know many cases where accidents have occurred at those unprotected facing points?—Many.

1640. Does this neglect chiefly occur on large companies or small companies?—Large companies; in fact, collisions mostly occur on the long lines.

1641. You do not think that the block system does tend to make engine drivers careless?—I do not think so.

1642. Have you read the evidence of Mr. Mason?—I have not read the evidence which was given on the last day.

1643. He is the General Manager of the North British Railway, and he states at the end of his evidence that the worst accident he ever had was between two places where the block system existed; do you know anything about that accident?—I am not aware to what accident he refers.

1644. We have had it in evidence from one of the witnesses that there would be a considerable safeguard secured to the public if greater restrictions were placed upon passengers; for instance, heavy penalties for getting out of a train when in motion, or getting out on the wrong side of a train; do you think that that would be of any service?—I doubt the effect of a penalty in keeping people in a train when they come into such places as London and other large towns.

1645. They say that many small accidents, such as slipping in getting out of trains, are due to passengers jumping out of the trains before they are quite stationary, is that your opinion?—There is no doubt of it at all.

1646. Do you think that any additional security could be taken to prevent that?—I do not see any way to their taking any additional security on that ground. I am aware that a hasp has been placed lower down in some cases, but it is not free from the objection, that people will put their heads out too far, and knock them against walls.

1647. Does not the adoption of the hasp, as is the case in some foreign lines, prevent entirely their jumping out in that dangerous way?—They must go through two operations. They must go through the operation of turning the handle and of putting out their hand to lift the hasp.

1648. Is not the hasp put so low that it is not a very easy thing to do it?—If the hasp is too low they may have to put their body a long distance out of the carriage, and that renders them liable to come into contact with anything that may be exceptionally near to the rails.

1649. You said that you think that the extension of the system of arbitration by the Board of Trade would be desirable; would you do that to the exclusion of trials before a jury, or would you only have recourse to it in cases of small accidents?—I think that a very large proportion of the cases of compensation might be well settled by an arbitrator, quite as well as, and at very much less cost than by, the present system.

1650. Do you think that cases of large compensation would be as well settled by the Board of Trade, and as satisfactorily, as by a jury?—I think by an arbitrator appointed by the Board of Trade they might.

1651. Mr. *Denison.*] What means do you take to convince yourselves at the Board of Trade that any mechanical contrivance which you recommend is sufficient for its purpose, and not liable to objections in its working?—Seeing it used on certain lines of railway, and inquiring among the officers of railway companies.

1652. As a rule, when you have made up your mind that a particular mechanical contrivance is advantageous, you invite the railway companies to give it a trial, do you not?—No, we do not do

Colonel *W. Yolland.*

27 June 1870.

that. I would take the case of interlocking, for instance; what led to the introduction of interlocking was, that a man made a mistake in leaving the points open. It was then pointed out, in a report for instance, that such a thing could be prevented by mechanical means. That report was given to the public, and one of the public got hold of it and brought out an invention. He happened to be an employé on one of the lines of railway, and that railway company adopted it on their own line, and after a time, when it was seen to be successful, the inspecting officers of the Board of Trade insisted upon it; but we do not put forward anything that is not practicable.

1653. I think you said at the commencement that you have not had an opportunity of reading the evidence that was given on the last day's proceedings, and therefore Mr. Forbes's evidence has not come under your notice?—It has not.

1654. At Question No. 1209, he was asked, with respect to the system of locking signals and points, and he said that "They" (that is the Board of Trade) "are very strong indeed upon what they call the locking apparatus, which is a source of continual, what shall I call it; well, it is a trap for the railway companies; we have more accidents, not bad accidents, but more trains getting off the rails now in our yards under the locking apparatus, than we had under the old system of pointsmen." Then comes the next question, "Practically you find that the result of locking points and signals is not beneficial as a remedy for accidents." To which he replied, "It is not a certain cure for an evil inseparable from the working of complicated railway stations, nor can any be discovered." He was further asked, "Has it diminished at all the accidents which used to arise, and were reported on, from the defect of the men in charge, having two actions, if I may so call it." And his answer was "No, I have just said that I thought that the number of engines and carriages getting off at the points now (and we have some very bad stations to work upon the London, Chatham, and Dover line), is certainly as great, if not greater, than under the old system of pointsmen"?—Mr. Forbes has not stated there what he means by getting off at the points, but I will tell the Committee; it is probably not getting off when they are running against the facing points, but it is when the driver, for instance, runs improperly over those points in the wrong direction, and where those points are locked in a frame, so that they cannot open, the consequence is, that when the wheel comes up to the part where the two rails are close together, it must mount and get off; that is probably what Mr. Forbes must mean.

1655. You are in favour, you have said, of Parliamentary compulsion upon companies to adopt the block system; at what intervals of space out of the Metropolitan circle, are you prepared to recommend that?—Inasmuch as little companies with little traffic find it advantageous for their own interest to adopt the block system on their lines in order to avoid the serious liability attendant on the ordinary mode of working, I hold that there is no hardship in the great companies adopting it generally.

1656. Then, is it your proposition that the inspectors of the Board of Trade should have the power on every line in the kingdom, main and branch, of deciding where a block signal should be placed?—Not where the traffic is worked by a single engine, but on all other parts.

1657. Speaking generally, your view is that the Board of Trade inspector should absolutely decide at what points upon every line in the kingdom a block signal should be placed?—The Board of Trade should decide what lines should be worked on the block system.

1658. What I want to arrive at is this, whether you are prepared, as one of the inspectors of the Board of Trade, to decide on every line in the kingdom, main and branch, at what intervals of space, or at what particular spot a signal shall be placed, on old lines as well as new?—If the railway company's officers will tell us the amount of traffic that is to be worked over it, I say, Yes. If they will not tell us, I say, No; because it entirely depends upon the question of traffic that is to be worked on the line. There is no necessity for the Board of Trade inspector to say at what intervals of space these telegraph stations should be placed.

1659. Then supposing there are a certain number of trains *per diem* passing over that point, and they wish to increase that number of trains, the circumstances would be changed?—Yes, certainly; that happened on the Metropolitan line, which, when first opened, had no intermediate telegraph station between King's Cross and Farringdon-street; but it was added afterwards, when it became necessary to increase the number of trains.

1660. You stated, did you not, that the block system was so capable of arrangement and management that it might depend upon one person?—That the signalman at the telegraph hut should be the only person having the power to admit anything on to the running line between him and the further telegraph hut. It is placing the power entirely in the hands of the signalman.

1661. But a great number of those long signals are worked, are they not, by a mechanical contrivance from a distance?—Yes, the distant signals are worked by a wire.

1662. What I ask you is, have you no experience in the reports of those signals being mechanically unworkable just at the moment when they are wanted?—It sometimes happens that a distant signal cannot be worked at the moment, but they are usually constructed and put up upon this principle, that they stand at danger unless pulled off, so that delay would be the only thing that would occur if it could not be pulled off.

1663. Then the fact of their being positively unworkable, either by rust of the chain, or some other hitch at the moment, does not shake your belief in the general efficacy of the signal?—Not in the least, because that is the same on ordinary lines as on the block system; the block system is nothing more nor less than an addition to the ordinary system.

1664. You have said that the Board of Trade is administratively weak, and is susceptible to influence both for and against railway companies; do you think (without the slightest disrespect to yourself) that the experience of an engineer officer of the Board of Trade is superior to that of a railway traffic manager and engineer of long and varied experience?—I think, as regards the question of accidents, it is quite equal and certainly more disinterested.

1665. You have also said, have you not, that the Board of Trade inspectors were not consulted as to the communication between passenger and guard?—I said they were not as to what

what was adopted. I would mention, with reference to what was sanctioned by the Board of Trade, that there are now three or four different modes of communication at the present time in use, instead of that which was submitted by certain general managers for the consideration of the Board of Trade, as they do not now agree among themselves as to the best rope system.

1666. But you do know, of course, that circulars were issued from the Board of Trade to the railway companies inviting them to try a particular system?—Quite so.

1667. Do you know what, in the working, has been the practical result of the communications as now established?—I do not know much about it. I know of one case on the London and North Western line where the system that was put up was practically of no use, and where it was expected that a gentleman would die between Willesden and Bletchley, but he fortunately did not do so.

1668. Have you not returns sent in to you from the railway companies of the number of instances in which the communication has been made use of by passengers?—I have not seen such returns; I know that it has been frequently in use on the South Eastern Railway, where the electric system which they had had in use for years was exceptionally sanctioned by the Board of Trade, although the rope system submitted by the general managers had been previously authorised for some other lines.

1669. I will direct your attention to Mr. Forbes's answer to question No. 1206, where he says, "I think that that is just where the Board of Trade would get into a great difficulty; because, take as an illustration the question (and one may as well ventilate it as a very good illustration of this position) of communication between the driver and the guard. There has been legislation with regard to that subject. I was the chairman of the committee of the Clearing House who inquired into the inventions for securing it, and I drafted a report to the railway companies upon it. We did not adopt it, because none of us could agree that any one of those inventions would effect the object which we then wished to effect; then Parliament in its wisdom says, 'Well never mind, you must do this, and you must do it upon a principle which shall be satisfactory to the Board of Trade'; now, what is the outcome of this? The Board of Trade will approve of anything almost that we ask them to approve of, and I will undertake to say now, and I speak in order, if you please, that it may be challenged, that the public at this moment are covered by no practical security, and that no single casualty or risk to which they were subjected before are they saved from now, it is utterly useless, and it is utterly useless in France"; Mr. Forbes gave that opinion under the idea and wish that it might be challenged if incorrect, and, therefore, I ask you if you have any practical knowledge yourself of the result of the plan?—I do not believe that the rope system is efficient; that in use on the South Eastern Railway may be, and probably is.

1670. Do you see no injustice and no objection in the principle that the Government should be interfering at every turn with the working of the traffic of railway companies, which are commercial associations of the same character as steamboat companies and other carrying associations?—I do not think that they need interfere at every turn at all; I do not think that would be necessary if they possessed more moral power, and they have none at the present time. The Government interferes in reference to emigrant ships, where the safety and health of large numbers is concerned; and similar interference to compel railway companies to alter what hourly endangers the safety of the public travelling on railways, is not only, in my humble opinion, justifiable, but its duty to the community at large, when it is only too manifest that the railway companies will not of their own accord make the change, or only commence to do it 10 or 12 years after the necessity for it is ascertained, and the means of effecting it satisfactorily provided. (*See* reply to Question 418).

1671. The Legislature of this country having declined to undertake the railway system or to impose a regular system of railway management in this country, you still are of opinion that the Board of Trade might fairly have the power of interfering with the details of the working of traffic?—Yes, I say so; more than they have any power of doing at the present time.

1672. In the case of accidents arising out of mechanical failures of the block system or any other recommendation of the Board of Trade, supposing it enforced by Act of Parliament, or what is the same thing, by a resolution of the Board of Trade, which has the sanction of an Act of Parliament, do you not think that a railway company would be justified in pleading before the tribunals that they were not liable for the accident, inasmuch as they had adopted what the State had declared should be a precaution in favour of the public?—I cannot see that the neglect of the individual working it could be condoned.

1673. That is, supposing that a case of negligence as regards an individual; but in the event of a mechanical failure, how would it be?—Then it would be exactly the same as the result of a mechanical failure when an axle breaks and causes a bad accident, and it is clearly and distinctly proved that no flaw or any defect in the axle could have been apparent to the officers and servants of that company before it occurred; that would be precisely the kind of case, and the railway company would get off its liability.

1674. But does not it occur to your mind that there is a danger on the part of a central authority deciding upon mechanical contrivances which are to be adopted by railway companies without their having the option of rejecting or refusing?—Not without their having the option of objecting.

1675. Are you aware that if the Board of Trade's recommendations are persistently urged and persistently neglected by the traffic manager and the board of directors, from a disbelief, most likely, in the ordinary utility of the recommendations, that is taken by judges and juries as a culpable neglect of precautions, and is taken into account in the estimation of the damages?—I cannot tell whether that is the case or not. Many of the recommendations which I make, after inquiring into accidents, are based on the suggestions of the officers who have assisted in placing the facts before me.

1676. One of your recommendations is that the Board of Trade should, by means of a resolution proposed to be placed upon the table of the House of Commons, order particular rules and regulations to be observed in the working of traffic; do you think that railway companies should

Colonel *W. Yolland.*

27 June 1870.

should have an opportunity of offering their opinions and their objections to the proposed regulations, which are simply the embodiment of the individual opinions of the Government inspectors?—Certainly.

1677. You said that a bad example is frequently set by the officers of a railway company in riding upon engines and neglecting the signals?—I constantly ride on engines, and have frequently passed distant signals at danger.

1678. With an officer of the railway company on the engine with you?—Quite so.

1679. The responsibility being with them?—Quite so.

1680. And you have objected to that, have you?—No, I am entirely in the hands of the railway company; I never make any objection at such a time, but I do not hesitate to say that it is setting a bad example, and I think it produces a bad result.

1681. But the drift of your answer is to leave an impression on the minds of the Committee that railway companies do systematically neglect their own precautions, or allow their servants to neglect them?—I do not think that discipline is well upheld on many railway lines.

1682. Is that a general observation, or is it confined to a particular line?—It is a general observation.

1683. You also, I think, recommended that in the making up of a train the continuous break system should be adopted throughout the whole length of the train?—I said that when there were portions of trains, three or four portions going to different towns, and broken off at different junctions, it would increase the chances of safety in the event of an accident occurring if the break van belonging to those portions were attached to the adjacent carriages by means of continuous breaks.

1684. Sir *H. Selwin-Ibbetson.*] I think you said that it should be attached to the carriages in each particular section of the train?—Yes.

1685. Mr. *Sherriff.*] That can only be done where there is a break van?—Yes, a break van or a carriage fitted with a break, which comes to the same thing.

1686. Mr. *Denison.*] Do you happen to know how many component parts of an express train starting for instance from King's Cross and going to the north of England, is composed?—I do not; I saw the number of parts mentioned in this unfortunate accident which occurred the other day; three or four.

1687. Are you aware that in order to carry out your proposal it would necessitate the interspersion of three or four break vans in addition to the ordinary break?—But very long trains I think carry three or four break vans.

1688. Do you know the maximum number of carriages which an express engine can carry at the speed of an express train?—No, I do not know for this reason, that where one is insufficient, another is put on.

1689. Do you mean a double engine?—No; two engines; I see that often.

1690. You surely are not prepared to recommend the general adoption of two engines in a train?—No; I frequently protest against sending trains that require two engines. I hold that the trains should be of a moderate size, and not of an unwieldy size; that is one of the things which I object to with reference to the mode of conducting the traffic.

1691. Are you not aware that the use of two engines is considered by railway engineers to be very dangerous?—It is constantly done.

1692. Up a bank or for short distances, but not running long distances?—Yes, in long distances I have seen it.

1693. Mr. *Sherriff.*] In passenger trains?—Yes, passenger trains, but more particularly excursion trains.

1694. Mr. *Denison.*] Then as I understand you, your recommendation would necessitate the breaking up of trains and the multiplication of trains; for we may take it as an axiom, may we not, that if you get beyond a certain number of carriages with one engine your train will not go at the proper speed?—Quite so.

1695. Then the result of your recommendation would be to break up the train into many more parts, and to multiply the number of trains passing at separate intervals of time?—Yes, I would not allow unwieldy trains; and if the traffic be worked on the absolute block system, doing so would diminish, instead of increasing, the risk of accident.

1696. Taking an ordinary express train made up of 15 or 16 carriages with a break at the head and a break at the rear, the interspersion of two, three, or four break carriages would diminish the carrying power of that train to a very considerable extent, would it not?—But the retarding force applied to that train might be made very much greater by the break van at the head of the train, and the break van at the tail of the train being coupled on to the adjacent three or four carriages, without diminishing the carrying power. By the use of continuous breaks you can double your retarding force and you would not be carrying more break vans.

1697. And this is one of the recommendations which you would propose to embody in a resolution placed upon the table of the House, making it compulsory upon the railway companies to adopt it in the working of their traffic?—I would not allow railway companies to send out a train of 16 carriages with a single break, as it will be found has been the case in the mishaps of the last three years.

1698. You, as an inspector of the Board of Trade of long experience, would have no hesitation and no misgivings in imposing upon railway companies a minute set of regulations for the working of their traffic?—I have never proposed to introduce a minute set of regulations at all, and I should not wish to do so; I do not think it necessary at all.

1699. You would do it by piling up the regulations from time to time, from year to year, or as the case may be?—I do not think that that would be necessary.

1700. Mr. *Sherriff.*] I want to know something about the internal machinery of the Board of Trade; whether the Board of Trade in its operation regarding railways is in reality anything but their inspectors, that is to say, when an inspector sends in a report to the Board of Trade, who are the persons who consider that report?—It is addressed to the secretary.

1701. What body gives any attention to the report of the inspector before it is sent out by the authority of the Board of Trade?—In the case of reports upon accidents, they are sent out as a matter of course at the present time; formerly

merly they used frequently to be accompanied with recommendations; but they are seldom accompanied with recommendations at the present time.

1702. Then the Board of Trade in respect of railway accidents is only another name for the Board of Trade inspector?—No, it is not quite so, for the constitution of the Board of Trade formerly was different. The assistant secretary of the railway department of the Board of Trade formerly used to be an officer of engineers who generally had been an inspector himself on the railways, and was supposed to have acquired experience whilst so employed, but that has been changed since the year 1859.

1703. Then it does come to this, that there is no internal authority which knows anything about the matter in question, to whom the reports of the Board of Trade inspectors are submitted before they are issued to the railway companies?—Now they are sent as a matter of course. As soon as they are printed they are sent to the railway companies.

1704. But when the Board of Trade is spoken of as having the power of enforcing certain improvements, if we may call them so, that in reality means that the inspectors of the Board of Trade are to be the judges of the improvements?—No, it does not seem to be that, because in many cases the Board of Trade, at the present time, do not approve of the reports of their inspectors.

1705. Whom do you mean by the Board of Trade?—The President, the Parliamentary Secretary, and the permanent secretary; and there is also the assistant secretary to the railway department, and those are the gentlemen who constitute the executive of the Board of Trade for railway matters.

1706. And those are gentlemen, as I understand you, who have had no previous experience as to whether a particular course is right or wrong for railway companies to pursue?—I do not think I have said so, but I am not aware that they have.

1707. In respect of the block system, the merits of which I do not underrate, but it is not quite perfect, I suppose you would not say that it is quite perfect yet?—I think it is exceedingly well worked, and by several different systems.

1708. But have you not seen improvements made in it last year?—I think there are improvements which go beyond what is at the present time carried out, by which signalmen would be prevented mechanically from giving a signal for a second train to follow before the first one had reached the station in advance.

1709. So that it is still capable of improvement?—Quite so.

1710. There are states of the atmosphere, are there not, in which electric signals of any kind are very apt to get out of order, and, in fact, in such cases they are rather worse than nothing?—I do not know about worse than nothing.

1711. That do not act?—Yes, but by recent improvements I am informed that that is got over entirely; but on that point electricians would be a far better authority than I am.

1712. Of course there are certain operations going on between stations which would not at all be regulated by the block signal even when applied; for instance, persons employed on the line in lifting rails, and in the ordinary maintenance of the road, how would you in any way connect their operations with those at the stations where they use the block system?—On that point I would refer to the evidence that was given with reference to the Staplehurst accident; it is a case in point, I think; evidence was given upon that subject by Sir Edward Watkin.

Colonel *W. Yolland.*

27 June 1870.

1713. The purport of my question is this: that although the block signal, to a certain extent, entirely prevents collisions by one train running into another, yet the block signal, as I understand it, would not prevent an accident arising from the carelessness of workmen displacing a rail at some point between the stations?—Certainly not.

1714. Have you had it under your notice that sometimes after a signal has been sent under the block system, in a moment of either carelessness or otherwise, a signalman has actually given a signal for a train to come on when he ought to have blocked his station?—I recollect three or four instances within the last 12 or 14 years.

1715. There have been cases, and it is not at all unlikely that such should arise?—That is so.

1716. You have stated, have you not, that you would have no hesitation in taking upon yourself the responsibility of giving an order with respect to the opening or shutting of carriage doors?—I am not aware that I said anything of the kind.

1717. That is one of those internal matters which, I suppose, no public body would take upon themselves the responsibility of?—Certainly; it is a very disputed point.

1718. Will you be good enough to give the Committee the names of the 14 or 15 lines which have adopted the block system?—The Bristol and Exeter, the Bristol and Portishead, the Caermarthen and Cardigan, the Cornwall, the Llanelly, the London, Brighton, and South Coast, the London, Chatham, and Dover, the Metropolitan, the Metropolitan and St. John's Wood, the Metropolitan District, the Mid-Wales, the North and South Western Junction, the North London, the North Staffordshire, the Rhymney, the Somerset and Dorset, the South Devon, the South Eastern, the Swansea Vale, the West Cornwall, the Forth and Clyde Junction, the Great Northern of Scotland, and the Highland.

1719. I think you stated that you are of opinion that no alteration with regard to reducing the responsibility should be made in respect of workmen's train; that the companies had reduced their fares, and that consequently there ought to be a decrease of responsibility?—Yes, where they have reduced their fares.

1720. You also said that you think that that principle should be carried out; is it your opinion that it should be carried out in the case of excursion trains where the fares are very low?—I do not like excursion trains.

1721. Mr. *Denison.*] You would, if it was left to the Board of Trade, put down excursion trains as much as you possibly could?—I would not allow them to be of the unwieldy character that they frequently are at the present time, as the risk would thereby be greatly lessened.

Sir JAMES HANNEN, called in; and Examined.

Sir *J. Hannen.*
27 June 1870.

1722. *Chairman.*] YOU are one of the Judges, are you not, of the Court of Queen's Bench?—Yes.

1723. How long have you been on the bench?—About two years, or rather more.

1724. Have you had considerable experience in the subject of compensation by railways for accident?—Yes; every judge must have considerable experience in trying those cases, for they occupy a very large portion of our time.

1725. We have been told that the liability of railway companies for accidents may be considered under two heads; first, with regard to the liability which they incur to persons who are not passengers, and with whom they have no contract; and, secondly, with regard to persons who are passengers, and with whom they may be considered to have a contract; I will ask you, first, with respect to persons with whom they have no contract,—in that case do you think the liability of the railway companies is precisely the same as the liability of private individuals, and in short depends upon the general law of master and servant?—Precisely so.

1726. With regard to that branch of the law, do you think that there is any hardship in the present state of the law upon that subject?—I think there is no hardship upon railway companies; the hardship is one, if it be one, which is shared by all employers, namely, that they are responsible for the negligence of their servants.

1727. One gentleman has given us his opinion that there is a hardship in that state of the law, and that if a private gentleman has taken every care to get as careful a servant as he can, it is very hard upon him that he shall be liable for the negligence of his servant; do you think that that is the case?—It is a hardship, but then it is one of those hardships which I think must be borne by the public generally; it is the universal law, I might say, throughout the world, that a man shall be responsible for the acts of his servant done in the course of his business; and although undoubtedly it inflicts considerable hardship in some cases, I am not prepared to express any opinion that it ought to be altered; but that is a larger subject, I should add, than that to which I thought my attention would be directed.

1728. He quoted to us the Roman law, by which the master was only liable for the negligence of his servant, to the extent of the value of the servant or slave, and he rather recommended to us that there should be a limit put upon the degree of liability; what is your opinion upon that point?—There is an analogy afforded by our law in the Admiralty; a man is not answerable for damage done which is beyond the value of his ship which does it, that is an analogous case, but I am by no means prepared to adopt so limited a view as that which has been suggested; that it should be merely the value of the instrument, that seems to be the idea contained in the suggestion, that the damage to be recovered should be merely the value of the instrument by which the mischief was done.

1729. We were advised that in the case which was put, where a master had taken every precaution to get as careful a servant as he could, under those circumstances he should not be liable, unless there had been some default upon the part of the master himself, but probably you are not prepared to go as far as that?—I am not prepared to go as far as that, but I repeat that I was not aware that my attention would be directed to that which is a much larger subject than this, of the compensation by railway companies.

1730. We will come now to the second head, which is the liability of railway companies for injuries committed to passengers; that is to say, persons with whom they have a contract; at the present moment the liability of railway companies is unlimited, is it not?—It is.

1731. Do you think that there is any hardship in that state of the law?—I think there is.

1732. Would you recommend that the extent of that liability should be limited?—Yes, I should do so.

1733. Have you thought in any way as to the mode in which you would limit it?—Yes. If you mean as to the amount, I have not thought of the exact amount, but I think that it is the office of the Legislature undoubtedly to take care, above all things, that the safety of the public shall be maintained as far as possible. I think that that may be put as the first object which the Legislature should have in view; but I do not think that it is necessary, in order to attain a maximum of care and attention on the part of the railway companies, that they should remain liable to an unlimited amount. I think therefore it would be safe, and I must add just, to limit the amount of liability of the companies to such an amount as would be sufficient to keep up on their part a maximum of attention to the way in which the line was managed. I think that they would be just as careful, for instance, and I give it only by way of an instance, if they were never liable beyond 1,000*l.*; that would be quite sufficient to keep them up to the mark in all respects. Then beyond that I do not know why they should not have a consideration for the extra risk, if they were required to take that extra risk upon them.

1734. Of course you have not considered the precise details of the limit; I mean you have not considered whether it should be different for first, second, or third class?—I think there should be a difference in the amount for which they should be liable. In the first place they are paid more for the one than for the other; and therefore they have larger receipts for the one class of passengers than the other, and can afford to pay more. I think it is a rough, although undoubtedly it is a very rough criterion of the value which a man sets upon himself, if he pays more to ride in a first-class carriage.

1735. You would consider it in the light of a premium that they would pay for their risk?—Yes.

1736. Do you think that there should be any difference in the amount according to the length of journey; for instance, if a first-class passenger takes a ticket, for which he pays only a few shillings, or if he takes a first-class ticket, for which he pays as many pounds, in each case the liability of the company should be the same?—I confess that I have not got so far in detail as that.

that. I should consider it a detail of its insurance business, which I should leave to the company to determine for itself.

1737. Do you think that the companies could limit their liabilities without an Act of Parliament?—That is a difficult question to answer. I think I ought to decline to give a positive opinion upon it, because I think it is a question open for discussion. But for all practical purposes of legislation, it may be assumed that they cannot limit their liability; for this reason, that it has undoubtedly been alway assumed, up to this time, by those who advise railway companies, that they cannot limit their liability, and they have always acted upon that up to this time.

1738. As to the administration of the law, the gentlemen who have been before us, the managers of the different railway companies, have made great complaints of the exceeding harshness of the administration of the law; do you concur in thinking that there is justice in those complaints?—That language is too strong; but I am not aware whether the question asked me, is whether juries find too heavy damages.

1739. They complain of the extent of extortion to which they are subjected in consequence of the law?—Certainly from my experience both as a judge and as a counsel, I think that there is a great deal of fraud practised upon railway companies with respect to accidents. I think that there are many cases of actual fraud, and that there are very many more cases of great exaggeration.

1740. They complain particularly of the manner in which the rules with respect to costs affect them; that as the law now stands, practically they have to pay the costs whenever a case is brought into court, and consequently they are obliged to pay a very much larger sum than they ought, because they know that if they go into court they would have to pay what the jury award, together with the costs of both sides; do you think that there is justice in that complaint?—I do not understand that complaint; I do not think that they suffer any more than any other litigant suffers who loses his case.

1741. They say that whatever sum they pay into court, the jury almost as a certainty takes that as a starting point, and gives as much more as will carry costs?—That does point undoubtedly to a practical evil, but it is not peculiar to railway cases. There is no doubt that it operates upon the minds of juries, I suppose, in this way, as there is a payment into court, they see that it is admitted that there was a cause of action, then they have a certain sort of pity for the plaintiff, who is there, and who, if he does not get something more, will have to pay the costs of the inquiry, and that pity operates upon their minds, so as to make them frequently give a little more, in order that the plaintiff may not win a barren victory. But that, I say, is an evil which is not peculiar to railway companies. I believe that that is in the vast majority of cases where money is paid into court. The way to meet that, if it should be thought an evil sufficient to demand a remedy, would be to have the money paid into court kept a secret from the jury, and never to let them know what amount has been paid into court, and let the battle be fought in ignorance of the fact that there was a sum which the plaintiff might have had, if he had been willing to take it.

1742. Would not that be rather difficult to accomplish: would not the counsel, or somebody or other on behalf of the plaintiff, contrive to let the jury know what sum had been paid into court?—There would be, of course, many attempts made to do so; but supposing that were the rule, the judges would endeavour to repress any such communication of that fact, as irregular and improper.

1743. You are not aware, practically, of any hardship that arises from that state of the law to railway companies more than to any other litigant?—Certainly not.

1744. Is there any mode in which you think that the administration of the law could be improved?—I am not able to offer any suggestion on that head.

1745. Do you think that the damages given by juries have been excessive?—Yes; on the whole, I think that juries err on the side of excess. I am far from saying that they always give too much. Cases are presented to them in a way that does undoubtedly lead them to give rather too much than too little. It is always pointed out to them that they give their damages once for all, and that whatever speculation there may be by the defendant's medical witnesses, as to the time when the plaintiff will have recovered, that is always a matter of guesswork, and therefore they must make sure. All that leads juries, as I say, to err rather on the side of excess than in giving too little; and, thinking as I do that there is great exaggeration in very many cases which are brought before them, I think that plaintiffs in railway accidents in the majority of cases get more than they ought.

1746. It has been stated to us that there is not a very good class of practitioners who take up cases of this description; has that come within your knowledge?—That has not come within my knowledge. I have known particular cases in which I have been able to see that the practitioners were of a low class; but I cannot say by any means that that is usual.

1747. You are not aware that it is a system for practitioners of a low class to go down to the place when an accident occurs, for the purpose of getting business?—I have heard that stated, but that is all I can say upon the subject.

1748. Do you think that in assessing the damages, the degree of negligence on the part of the company should be taken into consideration?—No.

1749. It is not so in fact, I presume?—It is not so in fact.

1750. But if the company admits its liability; that is to say, if there has been the smallest degree of negligence on the part of their servants, then the sole question is what degree of injury has been inflicted?—Yes; of course it is implied that there has been no negligence on the part of the plaintiff conducing to the accident; but any negligence on the part of the railway company which causes the mischief, entitles him to any damage which may have resulted from the injury.

1751. If the directors have been as careful as they possibly could be with respect to the character of the servants, and to ensure care in the management of the line, that cannot in any way be pleaded by them as a mitigation of damages in case an accident does occur?—No; nor do I think it ought, unless you were dealing with this large subject of whether or not masters

Sir *J. Hannen.*

27 June 1870.

should or should not in all cases be liable for the negligence of their servants.

1752. Sir *H. Selwin-Ibbetson.*] If you limit the liability, could you separate railway companies from other bodies, or would you have to limit the liability in all cases as well as in the case of railway companies?—Yes, I should separate them from other bodies, except carrying companies.

1753. I understood you to say that you were prepared to recommend a limitation of the liability of railway companies, but under those circumstances the same law ought to apply, ought it not, to other carrying bodies?—Yes, other similar bodies. I think it would apply to the proprietors of steam boats.

1754. That would have reference, would it not, to the recent decision in the case of the "Carnatic," where large compensation has been given against a steam-ship company?—Yes, I meant my observation to apply to all carriers.

1755. As I understand, that would apply to carriers, but it would not apply to a gentleman's carriage, because at present the gentleman is held responsible for injury done by his coachman?—No, it would not apply to that case, because that comes under the first branch of the subject, namely, liability to a stranger for a wrongful act. All your inquiry, as I understand, has been confined simply to injury done to a passenger, a person with whom the company has entered into a contract.

1756. Do you think that that rule ought to be applied universally to all carriers?—Yes.

1757. You said that the amount of fare received ought, to a certain extent, to affect the compensation for injury, that the first class should be greater than the second or the third; that was on the ground of the company deriving greater advantage in the amount received; but it is possible that the third class fare for longer distances would be greater, that is to say, the company would receive more for carrying a poor man a long distance?—If you remember, I said that I was not prepared to enter into those details. I should look upon that branch of the railway companies' business as an insurance business that must be conducted by them upon remunerative principles, and therefore they would have to consider the question whether or not they should charge more according to the distance, or whether it would not be better worth their while to take, as I believe the Accidental Insurance Company do take, a round sum. I think they take 3 *d.* for a journey, however long, and I suppose that that is found remunerative. Of course railway companies must do the same, find out what was remunerative.

1758. But that would apply to all classes; they would all equally receive the same remuneration in case of accident, if that system were adopted?—They would, if the company came to the conclusion that that was the best way of carrying on their business. I should leave it entirely to the company.

1759. Mr. *Denison.*] Parliament has long ago imposed a limit upon the liability of carriers for goods above the value of 10 *l.*, excepting when above that value an insurance is paid for as such?—Yes.

1760. Do you see any objection to that principle being carried out as regards passengers?—That is a principle which I think it would be expedient to carry out. I think that accidents upon railways must occur to some extent, and it is impossible to conceive of any state of things so perfect that there should be no railway accidents. I think, therefore, that if you can secure a maximum of care on the part of the railway companies, it is but fair that the traveller should share some portion of the risk. Therefore, I think it is right that beyond some sum, which may be fixed upon, they should do as they are allowed to do with regard to goods, and say, "If you think your life worth more than such and such a sum, you ought to give us notice, and let us have a remuneration for carrying so expensive a man."

1761. Are you of opinion that the present system of awarding excessive damages, which have no relation whatever to the negligence or delinquency which brought about the accident, is in fact any real safeguard to the public?—I suppose it must be some safeguard, because I suppose that directors are kept up to the mark, to use a common expression that I have availed myself of. I suppose that the terror of having to pay the enormous sums which they now have to pay will make them vigilant; and I think that they would be equally vigilant if they had not to pay so much.

1762. Assuming that railway companies take every possible precaution to employ the best hands that they can get, and the steadiest characters, and that an accident occurs from the frailty of human nature, do you think it reasonable that railway companies should continue to be exposed to excessive and unlimited damages, if accidents happen which have no relation whatsoever to the negligence which has caused them?—I do not think that they ought to be subject to excessive damages; and, as I have already said, I do not think that they ought to be subject to unlimited damages; but I think they should be subject to some damages, otherwise you would certainly have laxity of administration.

1763. Are there any observations which you would wish to make about the operation of Lord Campbell's Act; the railway companies here complain very bitterly that, in the administration of the law, in claims by heirs, the amount of compensation awarded against them varies according to the amount of prudence which has been exercised by the man who has been killed in an accident; for instance, if he has neglected to make a will, they will have to bear all the consequences of his negligence?—All that I can say is that my attention has never been directed to it. I have never seen any instances in which I have been struck with any failure of justice on that account.

1764. It works in this way, that supposing a passenger is killed by a momentary act of negligence on the part of a railway company's servants, and it turns out that he had had a life income of 5,000 *l.*, which ceased at his death, and he left a widow and several children, the jury would give 20,000 *l.* damages which would not be an exaggerated amount in the case of an income of that kind; the jury may give 20,000 *l.*, although that gentleman only paid the company 1 *l.* or 5 *s.* for his ticket, the company not being at all aware of their responsibility?—My evidence points to a remedy which, I think, might be applied, namely, that it should be impossible that any man should recover such an amount as 20,000 *l.*, (I have never known such a sum as 20,000 *l.*, I have known an instance of 11,000 *l.*) unless he had paid a proportionate

a proportionate sum to the railway company for taking charge of him.

1765. Mr. *Plunket.*] It has been suggested that if you fix a maximum there is a tendency that the jury will give the full amount; do you concur in that opinion?—I think that there would be that tendency; however, it would be the duty of the judges to try and correct that tendency; that is all that one can say; no doubt there would be an inclination to give the maximum.

1766. Then I suppose you would suggest that the railway companies should be obliged to insure within certain limits if that maximum of damages were accorded to them?—I have rather assumed that that is what would take place than formed a definite opinion upon it. I have assumed it in that way, because the Legislature has already gone in that direction in the case of goods and animals; therefore I have assumed that the Legislature would not deprive a man of the opportunity of insuring his life for a higher sum than the maximum; and I have never heard anything against the working of that system of insurance with regard to goods; therefore I have rather assumed that that is the direction in which the Legislature would continue to go.

1767. *Chairman.*] Have you anything further to suggest to the Committee?—Perhaps you will allow me to add an observation upon this subject. It occurs to me that you have practically from railway companies (I mean the directors and those who are in high places with the railway companies) as great care taken now as can be taken, and I believe that the accidents which happen will continue to happen from occasional negligence on the part of subordinates; and it has occurred to me that it is amongst those subordinates that you must endeavour to get a greater amount of care than is at present exercised. Certainly this is not with a view to legislation, but I would suggest to the railway companies that if they should have imposed upon them by the Legislature this insurance business, which I have spoken of, they should give to all their subordinates engaged in working the line a share in the profits to be derived from that insurance business. By that means you would give them an inducement to care on their own part, and you would create a public feeling amongst them for which each man would have regard; that is to say, at present his only fear is lest he should be dismissed; but what would operate upon many men's minds much more even than that fear would be this, that his companions would look upon him as a careless man; he would have the eyes of all those engaged with him in the service of the company alive to any defects on his part; and they would be constantly keeping one another up to the mark in order that the dividend at the end of the year might not be lost by the carelessness of one of their body.

Sir *J. Hannen.* 27 June 1870

1768. Would you increase the severity of the criminal law with respect to negligence on the part of railway servants?—No, I see no necessity for that. You will remember that it is always in the power of the judge to apportion the punishment according to the amount of negligence; the judge is able to take that into account, although, as I have already said, juries are not able, and ought not, in my opinion, to be allowed to consider the amount of negligence.

1769. Mr. *Denison.*] Are you aware that there already exists a system of annual rewards for servants who have passed through a year's service without any mistake?—I was not aware of that. To that extent it is a rough anticipation of my suggestion; mine would be a more elaborate mode.

1770. Your suggestion also assumes that there will be a profit upon the insurance business?—I assume that from the fact that there are companies who find it worth their while to carry on that business alone.

MR. WILLIAM JOHN VIAN, called in; and, Examined.

1771. *Chairman.*] YOU are Manager, are you not, of the Railway Passengers' Insurance Company?—I am the Secretary.

1772. And have been so ever since its formation?—Not quite from its formation, but for the last 19 years.

1773. Will you inform the Committee what are their premiums, and the amount secured by them?—We have two branches of business; one against railway accidents alone, and one against accidents of all kinds. Against railway accidents alone we insure for a single journey, or for a double journey, and against all accidents we insure only by the year.

1774. When you say all accidents, does that include railways, steamboats, and everything else?—Yes.

1775. And any accident that may happen to a man in private life?—Yes, quite so; a fall down stairs or a slip upon the pavement.

1776. We will only ask as to railway accidents; when you say that you insure for a single journey or a double journey, what is the meaning of a single journey?—Such a distance as a man can book through over any number of lines of railway.

1777. Supposing I were to go from King's Cross to Aberdeen, and that journey to occupy a portion of two days, would that be one journey or two journeys?—That would be one journey, in our estimation; our tickets are coterminous with the railway tickets. If the railway company will issue a single ticket for a journey, we will issue an insurance ticket.

Mr. *W. J. Vian.*

1778. As a converse case, supposing they will not issue a single ticket; when you get to a place, say to York, for instance, you have to get out and take another ticket to go to Scarborough, would your insurance cover the whole journey?—No, you must take another insurance ticket at every change of railway ticket.

1779. What is the price of your ticket?—It varies according to the class; 3 *d.* for a first-class insurance for 1,000 *l.* at death, and an allowance of 6 *l.* per week whilst laid up with injury; 2 *d.* in a second-class carriage, which insures 500 *l.* at death, and 3 *l.* per week whilst laid up with injury, and 1 *d.* in a third-class, insures 200 *l.* at death, and 1 *l.* 5 *s.* per week whilst disabled by injury.

1780. Then the insurance to the third-class is higher than the insurance for first-class?—We consider the risk greater; a traveller in a third-class is travelling in a carriage without cushions

Mr. *W. J. Vian.*

27 June 1870.

and unpadded, and in the event of an accident the shock is much more severe from his being dashed against the hard wood, than against the cushions of a first-class carriage, for instance.

1781. The insurance for a third-class passenger is dearer than the insurance for a second, and the insurance for a second-class is dearer than the insurance for a first-class?—Yes, we consider in each case the risk greater, and it is *pro tanto* diminished according to the class; the second-class is a stronger class than the third-class, but not as strong as the first.

1782. Would you insure for a larger amount, say for 2,000 *l.* in the first-class?—No; we do not issue more than one ticket to the same person; he may take a 1 *d.* ticket and yet travel in a first-class carriage, but he must not take a 3 *d.* ticket for 1,000 *l.* and travel in a third-class carriage.

1783. He cannot, for instance, take a 1½ *d.* ticket for 500 *l.*?—A 2 *d.* ticket, it would be for 500 *l.*

1784. So that a first-class passenger cannot insure otherwise than by paying 3 *d.* for 1,000 *l.*?—He might take a 2 *d.* or a 1 *d.* ticket if he chose; he might take a ticket for a lower amount, but the converse would not hold good; a third-class passenger might not take a ticket for 1,000 *l.*

1785. Do you issue a considerable number of tickets to third-class passengers?—No, a very limited number indeed, because at present there is no inducement to the public to take out tickets; the railway company's liability is unlimited; therefore our 1,000 *l.* assumes a very small proportion as compared with theirs; it is only those, I think, who take long journeys that insure. We issue about 400,000 to 500,000 tickets a year; the great mass of railway passengers are made up of those who travel short distances in the suburbs of great cities, for instance, nearly 30,000,000 travel on the Metropolitan line every year, and not one of those persons insures for the single or double journey; it is only a man who is going a long journey that thinks of insuring.

1786. It was stated in the newspapers that out of those unfortunate passengers in the excursion train who were injured the other day, a very considerable number were insured, was that the case?—Yes, there were 87 in our office.

1787. Were they insured against all risks?—Only for the journey; they had paid 2 *d.* for an excursion ticket insuring 100 *l.*, or some of them had paid 6 *d.* for the first-class. Excursion trains are generally made up of first-class carriages, and what are called covered carriages, which are either second, or third, or any class they can put, and we consider the risk so much greater with excursion trains that we charge a still higher premium.

1788. Then it was a special and particular premium which you charged for the excursion train?—Yes.

1789. Out of the passengers by that train as many as 87 had taken tickets with you?—Yes; five of the persons killed held insurance tickets; for which we shall get 10 *d.*, and have to pay 500 *l.*

1790. What is the scale for excursion trains?—Sixpence insures 500 *l.* for the excursion or double journey, and 2 *d.* insures 100 *l.* in the covered carriages.

1791. Have you season tickets or annual tickets?—Yes; against railway accidents you can insure either for a month or three months, or for a year; we charge 20 *s.* to insure by the year for 1,000 *l.*

1792. Do you insure many tickets of that description?—No; The General Accidents Assurance assures against all accidents, not only those to a train, but those going out of the station; for instance, on crossing the road, and so on, and is generally preferred.

1793. The larger portion of your business consists, does it not, of those general tickets?—Yes; out of an income of nearly 120,000 *l.* not 10,000 *l.* is for insurance against railway accidents alone.

1794. You think that that is due very much to the full liabilities of railway companies?—Practically, I think that it is so; if the liability of railway companies was limited, I believe that all persons would seek the natural resource of insurance.

1795. But on short journeys, do you think they would?—Not on very short journeys; but many of them would insure by the year if they were allowed the opportunity; for instance, a man who lived a little way out of town would naturally insure by the year, whereas at present he has no inducement to do so, or very little.

1796. How do they manage with respect to producing their tickets; do they get their tickets, and then take them with them?—Generally we recommend them to give them to a friend, or to post them to their homes; but generally people take them with them, and keep them along with their railway ticket, and then, if they lose their ticket, of course they lose their insurance.

1797. Your liability is quite independent, is it not, of any carelessness or mismanagement on the part of the company?—Quite so.

1798. You guarantee them by your ticket safety both for life and limb?—Against an accident to the train, not an accident within their own control, as the Board of Trade express it.

1799. Supposing they open the door, and get out of the carriage before the train stops, are you liable?—No, that is not covered.

1800. After they are once out of the train, if they tumble down in the station, I presume that is not covered?—No, that is not covered either.

1801. Have you had much experience of attempts at fraud?—Not so much of fraud as exaggeration and a modified degree of fraud. The natural tendency in all railway accidents is very much to exaggerate the symptoms, almost from the nature of the case; they are almost all shocks to the nerves; the nervous system is very easily acted upon by sympathising friends, and by solicitors advising them not to settle till they know the consequences of the accident; but there are many instances in which I believe a man is talked into making a much larger claim than he otherwise would; not an intentionally dishonest claim even, but yet an exaggerated one.

1802. Is there any limitation of time within which a claim must be made?—Yes, we require notice by our Act of Parliament within 14 days; we require it to be given immediately, but unless notice is given within 14 days, in case of injury, or within a reasonable time in case of death, the claim does not hold good.

1803. A person who says that his nervous system has suffered, and the symptoms have not declared themselves till a year afterwards, would not have any claim upon you?—Not legally; we inquire

inquire into it, and if we think that the man's statement is true, the directors believe that it is their wisest policy to act liberally, and we would give him something, but that is as an act of grace and not as a right.

1804. Have you taken many cases into the courts?—No, only on two or three occasions; we have a peculiar privilege under our Act; the right of taking cases into court was so intolerable when every man who had an improper claim that he wished to urge, or an exaggerated claim, used always to say that he would appeal to a jury, that we came to Parliament, and obtained power to make arbitration compulsory, and since then we find that we are enabled to deal most satisfactorily with those cases.

1805. What is the form of arbitration which is made compulsory?—In cases under 200 *l.*, we must agree on a single arbitrator; above 200 *l.*, each party, the claimant and the company, may choose an arbitrator, and those arbitrators select an umpire. If we cannot agree upon a single arbitrator, or upon the joint arbitrators to be appointed, we have a right to go before a master of one of the superior courts, and ask him to nominate an arbitrator.

1806. That system works well, I think you say?—Exceedingly well; we never practically go to arbitration, except in cases where there is a surgical doubt, and then we employ a surgical arbitrator, and that works exceedingly well.

1807. Then, has the arbitrator plenary power; does he hear the evidence and fix the amount?—Yes, quite so; he hears the evidence, and he is entitled to draw inferences, and assess the amount of damages, and to decide who is to bear the costs.

1808. He performs, in fact, the part of both judge and jury?—Yes.

1809. Have there been any complaints of that system?—Not at all; I never knew a claimant making an honest claim, as it appeared to me, who objected to have his claim referred to arbitration. Where there are exaggerated claims, they think it a very great hardship that they are deprived of what they call the natural privilege of Englishmen, to take them into court and try them before a jury.

1810. Mr. *Denison.*] Is the railway insurance business in your books kept strictly separate from the general accidents?—Yes.

1811. Is the number of insurers sufficiently numerous to secure you from loss on that particular branch of business?—Yes; at present the expenses would be greater than the business would bear if that were our sole business.

1812. It would not pay if it were a separate establishment with a separate administration?—I think not, unless the amount of business was very largely increased.

1813. Have you any control, in the case of accidents, as to the class which a person travelled by?—He has to produce his ticket.

1814. But in the case of death, it might so happen that the accident might occur at a station after the ticket has been delivered up, and in that case you would have no control over the class in which he has travelled?—We generally can ascertain that; we take the risk of that, and we can ascertain it from the railway companies.

1815. The distance travelled is no element, I think you say, in the calculation?—No; it would complicate the system so much that it would be almost impracticable.

1816. You have fully considered, have you not, that point which has been suggested to us from time to time, that a scale of insurance calculated upon given distances might be practicable, and your experience points in a different direction?—Quite so; I do not think it would be practicable; it would involve an enormous number of different kinds of insurance tickets. I think that this is rather a rough system; it is a penny postage system, in fact, but it is perfectly fair and perfectly safe.

1817. A man travelling 400 miles does not pay any more than a man travelling 25?—Not the least.

1818. Mr. *Sherriff.*] Have you heard of the scale which the railway companies suggest as the one at which they would insure the passengers?—No, I have not.

1819. *Chairman.*] Will you put in the rules of your company for the convenience of the Committee?—I can put in the Act of Parliament and a prospectus.

1820. Mr. *Sherriff.*] Assuming that the liability of the companies was limited in respect of the amount that they should pay with their railway ticket, and that therefore, from your evidence, a large amount of insurance would thereby be effected, taking the scale recommended by the railway companies of 3 *d.* per 1000 *l.*, would the insurance company, do you think, be inclined to take that business off the hands of the railway companies and conduct it themselves?—Yes; we should be very glad to transact that business.

1821. Then your notion is that a profit would accrue from this insurance?—Yes; not a large profit. My experience of railway accidents is, that they are very much more numerous than the Board of Trade Returns would lead you to expect. The number of travellers during the last 20 years is very large indeed; the number of deaths reported to the Board of Trade, from causes beyond their own control, are about 365; that would be about one death to every 8,000,000 of such travellers, and one injured in every 340,000; but my experience shows that they are very much more numerous than that.

1822. Taking that into account, you still think that the amount suggested by the railway companies on those insurances would be remunerative *per se*?—Yes, it would be sufficient to secure the company from loss, and cover the actual expense of working it; it would leave a margin for that purpose; it would not all be absorbed in compensation alone.

1823. Sir *H. Selwin-Ibbetson.*] Did I understand you to say that a very much larger number of accidents happen to the public than are reported, or than are before us?—I think so on railways. I do not mean to say that railway travelling is more dangerous than other travelling. I think that it is much less dangerous than walking about the streets of London, for instance.

1824. May we not infer from that that the amount is very much increased on account of the danger, according to your opinion?—Certainly, that the danger is greater than the Board of Trade Returns would lead one to infer; partly because the railway companies only make returns of decided injuries; for instance, in the accident which happened this last week on the Great Northern Railway, in the Report to the Board of Trade they would only state the number who were killed, or the number who were found to be seriously injured; any claims which subsequently come

Mr. *W. J. Vian.*
27 June 1870.

come in, of course, are not reported upon; those slight injuries without any actual lesion they do not notice in their report.

1825. With respect to insurance tickets, you say that you always recommend the people who insure to send their tickets home by post; but it is an excessively difficult operation, is it not, for the public to perform when they are taking their tickets at a railway station; a man must take the insurance ticket to some post as he is starting, and the natural thing is that he just carries his ticket away with him?—Not necessarily so; there is generally someone with him to see him off, and there is a post office at the station and so on. I have had to pay 1,000 *l.* in that way, in the case of a person who posted his ticket when he was starting. The only evidence was that his wife brought me her husband's letter, in which he said I am going so and so, and here is 1,000 *l.* for you and the children if anything happens to me.

1826. It is possible, is it not, that certain cases happen where insurances have been effected, and where no claim afterwards is made in consequence of the ticket on the person being destroyed, or otherwise made away with or lost?—I have never known such cases. I had a claim made last year from a person who was able to bring the railway clerk to prove his having issued an insurance ticket to him, and the directors admitted the claim. There are allegations that several people in this accident last week have lost their insurance tickets, but I cannot find one that I believe to be correct.

1827. Do not you think that a more satisfactory mode of insurance for the public would be that the railway ticket, as a rule, should carry, to a certain extent, the amount of its own assurance?—That would make the tickets excessively complicated, because you would leave it then to the choice of any individual what amount he would take his ticket for, so that the clerk would not only require to know what railway ticket the man wants, but to know whether he wished to insure for 500 *l.*, or 300 *l.*, or 1,000 *l.*, whatever the amount might be in addition.

1828. Mr. *Winn.*] Where are the insurance tickets issued to the public now?—Where they take their railway tickets, at the railway booking office. The railway directors allow their clerks to issue our company's tickets.

1829. Supposing the system of insurance to extend very much as you think it would do if the law was altered, would you still adopt the same plan, and issue the insurance tickets at the same time as the railway tickets are taken?—Yes; it is the only possible plan, because if you throw the least obstacle in their way, people will not take them.

1830. In the case of a crowded station, would it not throw very great difficulties in the way of people getting their tickets if persons had to apply for two tickets instead of one?—I think not. The system has been adopted at railway stations under a considerable degree of jealousy at the hands of railway directors, and they, in many instances, obtained reports from the station-master, for instance, at Euston and other large stations, as to whether this system of issuing insurance tickets did not interfere with the issue of the ordinary railway ticket, but it was stated that it did not do so.

1831. Mr. *Sherriff.*] You allow a certain per-centage, do you not, to the booking clerks for issuing those tickets?—Yes, 10 per cent.

1832. Mr. *Winn.*] You stated that you think that the system was almost inoperative at present, because the risk of the railway company being unlimited, persons are not disposed to take your tickets?—That is the only reason which I can assign. There are the tickets to be taken if the public choose to take them; and, as a fact, we do not issue half a million a year out of very nearly 300,000,000 of travellers.

1833. Therefore under the present system there might be no difficulty about issuing those two tickets; but under a system where the practice of insurance was very much increased, might not very great difficulty arise about the issuing of tickets?—I do not think so; it is precisely the same case as already arises where there is an excursion train, for instance. There are a great number of persons booking by those trains, and the clerks acquire such facility in doing it, that they can issue two tickets together in very little more time than one alone. In those cases they only tell the people to bring the money ready, so as not to want change.

1834. Mr. *Denison.*] Have you a separate set of persons existing in railway stations for transacting your own business?—No; it is all transacted by the railway companies' clerks.

1835. Under a separate agreement with each company?—Yes.

1836. Allowing a certain per-centage as remuneration to the clerks who do the work?—Yes.

1837. If the whole of the business of insurance was transferred to you, would you be prepared to open separate offices in each of the railway stations?—No, I do not think that would answer the desired end, because if the public had to go to a separate office to obtain an insurance ticket they would not go; in fact, they would not have time to go.

1838. Is it not the fact that many people under the present system do take an addressed envelope ready with them, and post their ticket in the railway station post office?—Yes.

1839. Is the report entirely false or not, that you do give a premium to people who bring your insurance tickets back in case of accidents?—That is entirely false.

1840. Sir *H. Selwin-Ibbetson.*] Practically is not the postage of this additional penny a charge upon the insurance?—Yes, but that is for safety; it is because the traveller does not trust our honour or that of the railway servants.

Captain Henry Whatley Tyler, called in; and Examined.

Captain *H. W. Tyler.*

1841. *Chairman.*] You are one of the inspectors of the Board of Trade, are you not?—Yes.

1842. And have been so for some time?—For more than 17 years.

1843. And during that time you have made many investigations, have you not?—A great number.

1844. Did you hear the evidence of Colonel Yolland?—I did.

1845. Do you agree with him generally?—No, I do not.

1846. What are the main points of difference?—I do not agree with him inasmuch as he thinks it is desirable that the Board of Trade should have

have power to compel railway companies to do certain things; he wishes to throw additional responsibility upon the Board of Trade, but I think myself that that would have a mischievous tendency.

1847. Do you think that it would remove the responsibility of the directors?—I think it would take the saddle from the right horse and put it on the wrong one.

1848. Would you recommend any material alteration in the powers of the Board of Trade?—As regards the powers of the Board of Trade, I do not know that I should. My own idea is, that railway companies require from time to time to be acted upon, and increased pressure should be brought upon them to do certain things, to make certain improvements, which from time to time are found to be feasible and advantageous; but there are other ways of bringing pressure to bear upon them than giving to a public department, like the Board of Trade, a direct control over them.

1849. Have you had occasion to consider the benefits of the block system?—Yes, very much.

1850. Are you in favour of it?—Yes, there is no doubt that, under certain circumstances, it is the best means of averting collisions of a certain description.

1851. But you do not put a very high value upon it?—Yes, I do, a very high value.

1852. Upon all railways?—No, not upon all railways. Where the traffic is heavy, and where trains are numerous, you require the block system more. Where the trains are less numerous, and the traffic is lighter, you require the block system less.

1853. I suppose on such a line as the Metropolitan Railway it is almost essential?—You could not possibly work a day without it on the Metropolitan Railway.

1854. On a line in the North of Scotland, where there are only two trains in the course of the day, it would not be required?—Where there are no more than two trains a day, as there are on some lines, I look upon it as perfectly absurd to say you shall work upon the block system; that is to say, with a view to guarding against collisions between following trains, because where there are several hours between trains a man forgets, having a great deal of other business to do in the mean time that a signal may have been made for a train, and if you trusted to his memory in such a case, you would perhaps incur more risk than under the existing system. In many cases of that sort men do not even put up the ordinary signals. When they know that no other train is to come there for two or three hours, they become so confident, from day to day, that it is almost impossible to enforce discipline, so as to make them use the ordinary signals.

1855. The use of the system is extending, is it not?—The use of it must extend as traffic increases.

1856. And you would not either have any Act of Parliament or any increased power of the Board of Trade to compel the adoption of the system?—I do not myself think that the right way to do it. I do not think you should legislate and say that companies shall, by Act of Parliament, adopt the block system. There are certain things connected with the convenience of the public, which Parliament can beneficially order railways to adopt; for instance, smoking carriages. I think that was a very good and very successful measure, and there are other things that Parliament might usefully require. I think it would be very proper if Parliament were to say that the railway companies should adopt sleeping carriages between England and Scotland. As a public servant I have to travel a great deal, and I have often felt and seen the want of those sleeping carriages. But for Parliament to interfere and to say to railway companies you shall adopt the block system, or any measure for public safety, which requires an enormous amount of supervision on the part of those who are adopting it, I do not think that is the right way to induce railway companies to make improvements of that description.

1857. Have you any suggestions to make from your experience, either with regard to altering the powers of the Board of Trade, or to giving any greater control over companies in any other way?—I think there ought to be a better system of inquiry into accidents than there is at present. As Colonel Yolland has told you, the Board of Trade have at this present time no power to order an inquiry at all; they have power to order an inspection of the railway works, but they have no power to order an inquiry. I think that it is not a right state of things that a public department should go on for a quarter of a century making inquiries, which it has not legal power to authorise.

1858. What do you think with respect to limiting the liability of companies?—I consider that the present state of things, as regards compensation for railway accidents is a scandal to the country; although there has been stated to be great injustice, as far as I have seen the evidence which has already been given, that injustice has appeared to be all on the side of the railway companies, but, I think, there is something to be said also on the other side. The sufferers by railway accidents have sometimes great difficulty in recovering compensation which they ought to recover; the parties injured, who are entitled, ought not, I think, to have so much difficulty in getting a just amount of compensation: they have to go through a legal process very often before they can obtain it; there are two or three trials sometimes in one case, and they incur very heavy costs with the risk of not getting anything at all.

1859. Do you think the system an essentially bad one?—I think it is an essentially bad one for both parties. It is very unjust in many cases upon railway companies, and in other cases towards the sufferers, and that which is unjust cannot be good.

1860. What would be the nature of the changes which you would recommend?—As regards the inquiry into accidents the only form of public inquiry now is before a coroner and a jury, and the coroners are, in many cases, I do not say it with any disrespect towards them, but they are often entirely unfit to conduct an inquiry into a matter in which technical details are concerned, with which they are not acquainted. The juries, on the other hand, are very often chosen from the neighbourhood of the works or establishments of of the company, from amongst persons who are more or less directly interested, or who, perhaps, get their employment from the company. In other cases they are sometimes men who are very much embittered against the company; perhaps they have been denied something which they thought they ought to have had from the company, or they have suffered what they thought

Captain *H. W. Tyler.*

27 June 1870.

thought some injury at the hands of the company, and they are not fit persons to judge as to the company's culpability or otherwise; therefore, I think, that some new form of public inquiry is for many reasons very much needed into railway accidents.

1861. Do you recommend that the liability of railway companies should be limited; that they should only be liable for a certain sum, unless some special contract were made?—I think it would be a very good plan to limit the liability to a certain amount, always allowing a passenger if he wishes to travel at a higher liability, to take some extra ticket, or to make some extra payment, so as to ensure his receiving a higher compensation in consequence of that extra payment.

1862. If the liability were limited, would you make it like the liability of the railway passengers insurance company; that is to say, independent of the negligence of the company, that it should be a guarantee for safe transit?—I think so.

1863. You would make it limited in amount, and assuming it to be perfectly certain that an accident has happened, that the passenger should be entitled to the sum to which the liability was limited?—I think so, provided the accident has not occurred from wilfulness or negligence on the part of the passenger.

1864. In fact, you would make the law very nearly the same as it is with regard to the transit of goods?—I think so. The railway company should be bound to carry you safely, and liable to a certain extent, if you are not carried safely. That would simplify the matter very much indeed, and looking at the general experience of cases that have happened, I do not think it would make very much difference to the railway companies.

1865. Is there anything else which you could suggest to the Committee?—I would suggest that there should be not only a limit, but that there should at the same time be a better tribunal for assessing the liability of railway companies.

1866. The last witness stated that with respect to the railway passengers' insurance company, there was a power of compulsory arbitration, and that that plan worked well; do you think that would be a good plan?—Yes, I think if the Board of Trade had power to appoint arbitrators for all cases of compensation, it would work well.

1867. It would diminish the cost very materially, would it not?—Very much indeed.

1868. And of course such a diminution of cost would be a great advantage to both parties?—Yes, to both parties; because they both of them suffer on account of the enormous costs that are incurred.

1869. Have you reason to complain of companies for not having carried out the recommendations made by the inspectors of the Board of Trade?—No, I am not disposed to complain upon the subject. There is no doubt that companies show some indisposition in many cases to comply with the recommendations that are made to them. I have seen several cases in which we have to make useful recommendations more than once before they are carried out; but I think that those recommendations made from time to time have an effect in the end, when they are proper recommendations; while if they were not worthy of further notice, they would, of course, fall to the ground. When they are good recommendations I think in time they tell; but the great disadvantage of the recommendations is, that they are not always made public at an early date. When a very bad accident happens, and when people are killed, there is then in this country, but not in Scotland, a coroner's inquest; and in that way the recommendation comes to be made more public than if it were merely contained in a report to the Board of Trade, and laid before Parliament. The recommendation has then more effect, as I have often observed, because people will read what they see in the newspapers, and every director, and every manager, and every subordinate officer of the railway reads the recommendation, and if there is anything good in it, it has a more or less immediate effect at once; otherwise recommendations are very often a long time in making way.

1870. You merely report to the Board of Trade, and it is printed afterwards for the use of the House?—Yes, that is so; but the reports to the Board of Trade that are printed for the use of the House, appearing, as they do, in batches, too many at a time, and generally after interest in the subjects of them has ceased, are very little read, I fancy.

1871. Sir *H. Selwin-Ibbetson.*] Do you consider that it is satisfactory that the present system should continue, that the inspectors of the Board of Trade should be always making reports against the conduct and working of particular lines, and that they should have no further power in the matter, that is to say, no power to enforce them?—I consider it so far unsatisfactory that I do think that the recommendations which are made ought, by means of a better kind of inquiry, to be made public; because I look upon it that the best instrument for bringing pressure to bear upon the railway companies, when you want them to do what is right, is public opinion. If you bring public opinion judiciously to bear upon them, they never can stand up against it. All you want to do is to inform public opinion. If the public had an opportunity of seeing (which they have not now), very soon after a railway accident occurs, the true causes of it, and the recommendations which are made with regard to the future, while the occurrence is fresh in their minds, then public opinion is naturally and constantly brought to bear upon the railway companies; and that I believe to be the very best way and the only proper way to act upon them.

1872. Then you would be opposed to any further direct extension of the powers of the Board of Trade?—Not quite so, because I think they ought to have power of inquiry, with immediate publication of results.

1873. You would not agree with Colonel Yolland in saying, that where recommendations are constantly made in your annual reports, the Board of Trade should have the power of enforcing such recommendations on the particular line?—No; I am quite opposed to the principle of the Board of Trade saying to a railway company, you shall do this, or you must do that; I think that is a wrong principle; I think if the Board of Trade is to interfere in the details of the management of railways, it should take them altogether upon its own hands, and manage them, but anything short of that would be very mischievous.

1874. At the same time, whilst you disapprove of any attempt on the part of the Board of Trade to

to force a system like the block system upon companies, you are in favour, I believe, of the block system in a great many instances?—The block system is one of the most useful means of avoiding collision which we have upon railways, and I am very much in favour of it, and I wish to see it very much extended; it is not nearly so much used as it ought to be in this country at the present time.

1875. Do you think that on the lines where it is used the number of accidents have diminished?—Certainly; the heavier the traffic gets upon a line the more you require to use it. As I was saying just now, on the Metropolitan railway you could not work a day without it, and on the Charing Cross Railway you could not work a day without it, certainly not a week without having some serious accident; and as traffic increases so you do more and more require it, and it should be applied to a very much greater extent than at present upon the different railways throughout the country.

1876. Whilst acknowledging that it is wanted more than it is used on the different railways throughout the country, and that therefore the public suffer in proportion to that want, you would leave it entirely to the directors of railways, whether the dividends were low or not, to adopt it?—I did not say that quite; I said that I would improve the mode of inquiry and improve the system of publicity, and so bring extra pressure to bear upon the companies, and in that way effect the extension of what I believe to be a valuable system, rather than by giving direct power to the Board of Trade for the extension of that system.

1877. You would be in favour of some court, appointed by the Board of Trade, who should publicly inquire as a matter of rule, into every accident that occurs?—Yes, some court appointed by the Board of Trade, which should publicly inquire as of right into every serious accident that occurs.

1878. And that the evidence taken before him should be made public in some way?—Certainly; at once made public, because that is the whole essence of it.

1879. You would rely upon that, would you, for the correction of the evil?—I am sure if the public are properly informed as to what is wanted, public opinion will so act upon the companies that we shall get all that is required.

1880. I suppose you know a good deal about the present system, and those inquiries that take place as to injuries before juries?—I have seen a good deal of it. I have been unfortunate enough to be subpœnaedin some of those cases, and therefore have had an opportunity of watching them.

1881. Do you not think that if you reduced the evidence and the costs, that would materially do away with the number of actions?—There is no doubt about it, if there was a tribunal which could take those cases, and look into them for itself; and if they were not brought, as they are now, before juries, so many engineers on the one side, and so many on the other; and so many medical witnesses on the one side, and so many on the other; giving directly contrary opinions, I am quite sure the costs would be very much diminished, and justice would be better done.

1882. You would be disposed to think that the medical evidence of a central authority, like the Board of Trade, might very fairly entertain all questions as to injury?—If you want a medical arbitrator the Board of Trade might appoint one or two, or more; and if you want an engineer arbitrator the Board of Trade might appoint such arbitrators, and these arbitrators might assess the damages with much greater convenience to both parties.

1883. In that way you would give the Board of Trade power to deal with accidents besides holding a court of inquiry; they would deal with the subsequent results of the accident?—I am not sure that you might not hit upon a system under which the same court, which inquired into the accident, and therefore was more cognizable than anybody else of the details of that accident, might not afterwards be employed to assess the damages to the sufferers, and that the sufferers might not come before the same court one after another and say, my injury is so and so, I want certain compensation, I think that the same court might perhaps, with advantage, assess that compensation.

1884. That court would be in possession probably, not only of local knowledge of the accident but of a medical knowledge of the cases at the same time?—Just so.

1885. I think it is your recommendation that I have before me on the subject of locking the doors in reference to the case which occurred upon the London, Chatham, and Dover Railway?—Yes; in the case of Mr. Jennings's accident.

1886. You there recommended that the same system which is adopted on the Continent should be applied to English railroads?—Yes.

1887. You see no difficulty either in its application, or in its working here, do you?—None whatever. As the matter stands at present, some companies have given up locking the doors altogether, because their platforms are on different sides at different stations, and it is very inconvenient to be always locking and unlocking; others lock on the off side, and others again lock on both sides at different times, and they forget to unlock again occasionally on the one side. I made a long inquiry and wrote a long memorandum on that subject, which I shall be very glad to hand in if it will be of any use to the Committee. I came to the conclusion that it would be better not to lock the passengers in at all, because they have not all got keys, and they cannot get out in case of emergency, but merely to use a hasp, as they do all over the Continent, and to use this hasp at the off side only. I do not know that it is necessary to use it on the near side, but if that hasp were altogether turned down so that it would be secure on one side that would prevent people making the mistake of getting out on the wrong side; I think that that would be a second hint to people who arrive at a station, particularly if they are half asleep in the night, and who open the door and jump out as a matter of course. Then a man is very apt, if the train stops, to think that it stops at a station, and he may get out in the dark at a very dangerous place. There would be, in that case, this second fastening to remind the man that he was doing wrong. It would do away with unpremeditated accidents of that sort, a man awaking out of a sleep, not knowing that he is not at a station, and practically that might tend very much to security.

1888. In the case of excursion trains, would it increase the danger to passengers who might be inclined to get out on the wrong side of the train?—I think not, because the hasp would be sufficient protection to the public.

Captain *H. W. Tyler.*

27 June 1870.

1889. In excursion trains, perhaps, people are a little inclined to be riotous, and not very well under control, and people might get out on the wrong side of the carriages?—I think so; but a man who deliberately undoes the door, or undoes the hasp besides, wilfully places himself in danger. A man may get out of the window; you cannot provide against that sort of thing.

1890. It has been said, as regards rules being applied, that on the Continent there is a very stringent law which acts upon a passenger who contravenes the bye-laws of the company; but we have not the same power in England, and therefore we should be more liable to the public receiving injuries? — Man and beast are both more tame on the Continent than they are in this country, I think.

1891. But would you see no objection to its adoption in this country?—I see none; quite the contrary, I think it would be an advantage, because on some lines they would not lock the doors of excursion carriages at all, and this hasp would be an additional security in that case.

1892. In that way the door might be left unlocked, and you would avoid all danger of the carriage turning over on the unlocked side?—Just so; a passenger could open the door in case of emergency, though he might have a little more difficulty in doing it than in the ordinary way.

Thursday, 30*th June* 1870.

MEMBERS PRESENT:

Mr. Davison.
Mr. Denison.
Mr. Headlam.
Mr. Lopes.
Mr. Mowbray.
Mr. Hinde Palmer.
Mr. Sclater-Booth.
Sir Henry Selwin-Ibbetson.
Mr. Sherriff.
Mr. Rowland Winn.

THE RIGHT HONOURABLE T. E. HEADLAM, IN THE CHAIR.

Captain HENRY WHATLEY TYLER, called in; and further Examined.

Captain *H. W. Tyler.* 30 June 1870.

1893. Sir *H. Selwin-Ibbetson.*] I THINK the last question you answered the other day was with regard to the locking of the doors; I want to ask you a question bearing upon another improvement of modern date, with regard to continuous breaks; have you seen the application of continuous breaks on any of the lines in this country?—I have watched it for many years.

1894. Do you consider that continuous breaks applied to trains are of material protection to the public, and increases the safety of travelling?—Yes; when all goes well with a train, and there is nothing wrong, very often you do not require more break power than you ordinarily have; but when any accident happens, it is very often a question of great urgency, and even of life and death, whether you may be able to put a powerful break on the tail of a train, so as not to allow the carriages to overrun one another, and break each other to pieces. You may, of course, attain the same object by increasing the number of break carriages and guards; but by applying continuous breaks in a train, and attaching so many carriages, two or three to each break van or break carriage, you may, with one or two guards, do more, and adopt a means of break power that is more readily and quickly applied than by very much increasing the number of guards and break vans in a train.

1895. A continuous break naturally would prevent many accidents that occur in fogs, or where the engine-driver has committed a fault in running past a signal, and suddenly discovers that there is a train on his line; at present I imagine his break power is insufficient, but with a continuous break he would have more power, and be able to arrest his train and stop such accidents, would he not?—To a certain extent that is true. When an engine-driver knows that he has the advantage of continuous breaks upon his train, and a very large proportion of break power in his train, he may be a little apt to run up to the signals or to stations more quickly, with the notion that he is able to stop more quickly; and if he mistakes a signal, or meets with an unexpected obstruction, he may not then always be able, having extra speed upon him, even with his continuous breaks, be able to stop his train in time to avoid an accident. But on the other hand, if he has this extra proportion of break power, and a signal is suddenly put up against him, or in a fog, or in many cases where he may meet with an obstruction, and be obliged to pull up very rapidly, then the continuous breaks may prevent his meeting with a bad accident. But I look upon these breaks as still more valuable in the case of an accident occurring, and when it is necessary to apply the break power from the tail of the train, and to stop it very rapidly in order to avoid disastrous consequences, or to lessen the bad results which might otherwise occur in consequence of the accident.

1896. You think, then, that it would greatly diminish the number of accidents if universally used?—There is no doubt that it is an extra safeguard, and a very important thing.

1897. Do you see any force in the great objection that has been raised to it on the ground of additional expense, or the difficulty of using it when you have to break up trains very often?—There is some little difficulty where you have to break up trains frequently at junctions, to attach or detach a carriage, but I do not see that that is at all an insuperable difficulty, and I am of opinion that the system might be more extensively used than it is. Companies manage to use it for their own convenience in many cases, and also as a means of safety; and I have seen many cases, I may say, in which accidents which would otherwise have been very disastrous, have been comparatively harmless where continuous breaks have been used.

1898. Would you agree with Colonel Yolland in saying that the difficulty and the greater expense of having a number of breaks in a train in proportion to the number of disjoinings, if I may so call them, might be avoided by applying continuous break power to the head and the tail of the train?—I do not look upon it as a question of extra expense at all.

1899. The objection was grounded upon this, that you would diminish the power of carrying passengers, and therefore have to multiply the trains, if you put into a train so many break carriages?—On the contrary, you do not want so many break carriages if you have continuous breaks; and it is a cheaper mode of applying break power, because you connect two or three or more carriages as regards break power, and you may do without break vans at all by having break compartments in any carriage, and you may attach to that break carriage a greater or smaller number of other break carriages, according to the system which you apply.

Captain *H. W. Tyler.*

30 June 1870.

1900. Mr. *Denison.*] The suggestion was, that for every separate compartment of a train going to a different locality there should be a separate break attached; do you agree with that?—It is not necessary to have one for every separate locality.

1901. Sir *H. Selwin-Ibbetson.*] It was stated by Colonel Yolland in answer to the honourable Member for Yorkshire, that you might meet that difficulty by having only two continuous breaks, which would give more power than you have at present, and the van need not be detached?—You may have two, or three, or four. If you have one carriage and a van going in one direction they may be connected by continuous breaks; if you have three carriages, without a van going in another direction, they also may be connected by continuous breaks, and the guard may use a break compartment in one of the carriages, and so on.

1902. Mr. *Sherriff.*] You may have a continuous break applying to two, or three, or four, carriages, as the case may be, may you not?—Just so; that would be a continuous break.

1903. Sir *H. Selwin-Ibbetson.*] From your observation, you have no hesitation in saying that continuous breaks would add to the safety of the public by diminishing accidents?—Yes, the use of continuous breaks would materially add to the safety of the travelling public.

1904. With regard to inventions of later days, the permanent way of railways has not been materially altered since first being laid down, has it?—The permanent way has been improved at different times, and in different ways, and the permanent way exists on many different systems now on different lines, and it is different in this country generally to what it is on the Continent and in America; the weight of the rails has become heavier, and the weight of the chairs has become heavier; some companies adopt the improvement of keying inside in place of outside, as being rather safer, and the greatest improvement of all that has been made is in the fishing of the joints.

1905. Is not the tendency rather to continue in the old grooves instead of adopting the improvements of later times in the permanent way?—There is a tendency upon different lines, no doubt, as there is in different Government departments, and almost in human nature, I may say, to continue in grooves.

1906. The whole of the recommendations with regard to inventions are in the hands of the engineer of the company, are they not?—Of course it is for the engineer of the company to recommend to his board or to his committee, under whom he may act, the adoption or otherwise of such improvements as may be brought before him.

1907. And the tendency is rather to run on in the old groove than to assume fresh responsibility by recommending new inventions?—No doubt; an engineer finds certain things to answer his purpose, and he looks more to his own experience upon his own line than to the experience of other lines, and he is apt to go on in his own groove.

1908. Cannot you conceive that these inventions would be more readily adopted if another authority beyond the engineering authority of the line itself had some voice in the matter of their being introduced on lines?—As a general rule, improvements are generally made, I think, by pressure from without, rather than by pressure from within, in that as in all other cases.

1909. If either an engineer representing the central authority, or an engineer elected by the shareholders of a railway company, had a voice upon the improvements of the material on the line, or inventions to be adopted by the line, would they not be more likely to be adopted than under the present system?—Yes, if that other authority did not also get again into a groove.

1910. But two people are not so likely to run in one groove as one, I suppose?—No.

1911. Consequently we should, in that way, not only diminish the responsibility of one man, and therefore diminish his wish to avoid entering into these new things, but diminish at the same time the possibility of running in one old groove which would be prejudicial to the public?—No doubt.

1912. Besides, I suppose that a railway engineer's time belonging to a particular company, leaves him very little spare time to investigate or properly test inventions of this sort?—I should hardly say that.

1913. Do you think that he would be able to test and appreciate inventions along with his other work?—Yes, as far as time was concerned. I do not see any difficulty about it.

1914. I suppose you can hardly speak as to the way in which engineers are appointed, and the way they are remunerated by companies, whether it is by a salary or by a per-centage on the work constructed?—Engineers who construct lines are more frequently remunerated by a per-centage upon the amount expended, but those who maintain lines more frequently by salary.

1915. I ask that because a person employed by per-centage is perhaps not the best guardian of the public, as he is inclined rather to look to constant changes than to any lasting material?—Just so.

1916. Mr. *Winn.*] You stated, did you not, that the inquiries which the Board of Trade instituted into accidents cannot now be enforced in law?—What I said was, I think, that there is no legal power of inquiry by the Board of Trade into railway accidents.

1917. And I think you said that it is optional with the companies to afford information or not?—Clearly, it is quite optional. If I were to go and inquire into a railway accident, and I were to say, "I wish to examine such and such a witness, one of your servants," the company would have a perfect right to say to me, "We shall not produce him," and I should be obliged to put on my hat and walk off.

1918. Do you think that that is a right state of things, or ought the Board of Trade to have the power of inquiry into accidents?—I do not think that it is a right state of things, that a Government department should go on for 25 years instituting inquiries which it has no legal power to institute.

1919. In what way do you think additional power ought to be given to the Board of Trade?—I think that the Board of Trade ought to have the power by an Act of Parliament, to direct an inquiry into every railway accident, and I would suggest that they should have the power and discretion that where an accident is a slight accident they might send an inspector just as they do now, to make a report upon it; that if it is a more serious accident they should have the power to associate, if they please, a legal assessor with the inspector, and that in case of any further inquiries

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as to injuries, and so on, they should be able to add to that court a medical gentleman. And I think that the whole form of inquiry into railway accidents, as well as the means of assessing compensation to the sufferers, ought to be altered. I think that the form of inquiry is bad, and that the means of assessing the damage to sufferers is bad, and I think that they might both be improved by giving to the Board of Trade power to appoint a court of inquiry more or less formal and important, according to the circumstances of the accident,—not necessarily a full court for a very small accident,—and that they should have power to refer all cases of compensation to the same court, and to call those cases one after another before that court.

1920. Ought they to have the power of compelling or summoning witnesses to attend?—Yes; clearly, the inspector or inspectors, or the court appointed by the Board of Trade, ought to have the power of compelling the attendance of witnesses, and examining them on oath, if they think proper (not necessarily, but if they think proper), and of doing all that is necessary to complete their inquiry.

1921. And of compelling the railway company to give information, or produce their books, or anything else that the court might require?—Yes; to produce their books, or to produce the materials, or to leave the materials to be seen in certain places as they are wanted for the purposes of that inquiry.

1922. Supposing that the result of that inquiry were to induce the Board of Trade to make certain recommendations to the company, ought there to be a power in the Board of Trade to compel those recommendations to be carried out?—No, I think not; I think that any power given to the Board of Trade to compel railway companies to do any particular thing would have a mischievous tendency. It has been thought right to place the railway companies in the hands of boards of directors, and they have each their own system of management and direction and control; and I think, under these circumstances, it would be very mischievous to attempt to dictate in an arbitrary manner to them what they should do for the convenience or safety of the public. That is not, in my opinion, the proper way to bring pressure to bear upon railway companies. As I said before, I believe that, considering the existing constitution and management of the railways, the proper way in all cases to bring pressure to bear upon them, if such pressure be necessary, is through the medium of public opinion; and if you could, by means of such an inquiry as I have indicated, make the results of railway accidents, and the causes of railway accidents, known at once while people are all interested in the subject, of course the knowledge of those causes, and those results, would enable the public to bring such pressure of opinion to bear upon the railway companies that they would be unable for one moment to stand against it, but would be obliged at once to do all that was necessary for the public safety.

1923. You think that there should be publicity given to this inquiry that the Board of Trade would institute so that the public might become acquainted with what had taken place, and also to any recommendation which the Board of Trade chose to make after the inquiry?—Yes, and by immediate publicity being given to any causes and results the company is then in immediate possession of all recommendations that are made, and not only that company but other companies can read the lesson while the event is still warm in their memories; and I believe that that would have a far better general result upon the whole railway management of the kingdom than an arbitrary power given to the Board of Trade to enforce any particular thing upon any particular company.

1924. Do not you think that the inspectors of the Board of Trade, from visiting different lines in different parts of the country, and seeing any new inventions that may be at work on different lines, are likely to be better judges of what would be a real improvement upon any given line than, say the engineer of that particular line?—There can be no doubt, I think, that if the inspectors of the Board of Trade, being constantly in communication with different railway companies, having constant opportunities of seeing improvements which are made upon different railways, and being engaged constantly in inquiring into all accidents of a serious character that happen, are not in a better position to judge of what improvements are required, it is the fault of their own stupidity and not of the circumstances in which they are placed. They ought to be far more able to judge of what is necessary on different lines than any one person connected with any one railway can be.

1925. What steps would you take in order to ensure publicity; how would you convey to the public what had occurred?—By simply allowing the newspapers at once to have possession of any report which is made to the Board of Trade, and by holding the inquiry in open court, so that the reporters may be present, and take notes from day to day of the proceedings.

1926. Then the recommendation by the Board of Trade would be made subsequently, and founded upon the proceedings which had taken place; how would you bring the recommendations of the Board of Trade before the public?—The recommendations of the Board of Trade must be founded upon the proceedings which take place in open court, and which are all known before those recommendations even are reported to the Board of Trade. The Board of Trade would only recommend such things as the court of inquiry recommended to the Board of Trade for recommendation to the railway company.

1927. The report of the court of inquiry to the Board of Trade clearly would not be known in open court?—No; but all the matters upon which that report would be founded would be known in open court, and the report to the Board of Trade would contain a summary of the recommendations which had been discussed in open court. If you will allow me, I will give an instance of what I mean. During the inquiry which was lately made into the accident at Newark I produced a report; in fact, the report that I wrote for the Board of Trade, I read out at the inquest as my statement upon the course and the causes of the accident; and it was thus immediately made public, and was printed in the newspapers the next day, and everybody had an opportunity of reading it.

1928. But that report was made before holding the inquiry. As I understand you, you recommend the inquiry to be made, and upon the result of that you would found your recommendation?—The report which I made to the

Captain *H. W. Tyler.*

30 June 1870.

Board of Trade in that case happened to be made public at that inquest.

1929. But what I mean is this: you recommend that an investigation should take place by order of the Board of Trade?—Yes, by certain people appointed by the Board of Trade for the purpose.

1930. After the inquiry was made, that inspector of the Board of Trade would report to the Board of Trade what his recommendation was, or any remarks that he had to make about it?—Yes.

1931. But the inquiry being then over, the public would not be made acquainted with that report?—Unless the report were immediately published; and my point is, that the report should then be immediately published instead of being presented to Parliament two months afterwards.

1932. But your answer, I think, was that the public would become acquainted with it by attending in court?—They would, I think, become acquainted with the real substance of it, probably, by attending in court; but they would get the actual report, if there were anything additional in it, immediately afterwards, by its being printed in the newspapers. In fact, it is already done so in the case of the loss of a vessel; the report of the magistrate and the nautical assessor is published as soon as it is made, in fact; that is an analogous case.

1933. Mr. *Denison.*] Did I rightly understand you to say that inquiries in case of accident are now optional?—Entirely optional with the railway companies.

1934. But with the Board of Trade?—They are optional with the Board of Trade.

1935. But as a matter of practice, whenever an accident is reported to you, not only where attended with loss of life, but also with serious injury, a report is made to you; the railway company are bound to report, and you hold a local investigation?—They are bound to report; but very often they do not report, and very often the officers of the Board of Trade, or some gentlemen there, see reports of those things in the newspapers, and write to the company for a report of the accident, and then order an inquiry to be made into it; but that is not so in all cases.

1936. Will you explain to the Committee what is the process when an accident occurs; do you go down to the place of your own motion?—No; when an accident occurs, the Board of Trade, either receiving a report from the company that an accident has occurred, or hearing of it in some other way,—say by a complaint from somebody who has suffered in the accident, or from seeing it in the newspapers, are in the habit of writing to the company for a report of that accident, and upon the receipt of that report, they order an officer to go down and to inquire into the accident.

1937. But for the purposes of serious inquiry, is it not very essential that the Board of Trade should receive instantaneous information of an accident, or at least without loss of time?—It is desirable, certainly.

1938. Because the removal of waggons or one thing and another, the removal of evidence of an accident might take place before the inspector could arrive upon the spot, might it not?—Sometimes the evidence is destroyed before the inspector arrives upon the spot, no doubt; materials are burnt, and so on.

1939. You have suggested, have you not, that the Board of Trade should have power to direct a court of inquiry to take evidence on oath, and in fact, to hold a judicial investigation?—Yes.

1940. What I want to ask you is this, do you propose by that court of inquiry to supersede the ordinary court, and to supersede the coroner's inquests which are now held?—Yes; I propose to supersede the coroner's inquiry so far as a serious railway accident is concerned. A coroner's inquest is really not an inquiry, and ought not to be an inquiry into a railway accident; it is an inquiry into the cause of death properly, but it has come to be extended into an inquiry into the accident, and I say that it is not the proper court for inquiry into a railway accident; it is a very proper court for establishing the cause of death, and whether anybody is guilty of negligence, but not a proper court for inquiry into railway accidents.

1941. As a matter of practice, coroners' juries do travel out of their path, do they not, and give an opinion as to the merits of the accident?—No doubt they do; and as a matter of fact also, we Government inspectors are in the habit of frequently attending coroners' inquiries, which we have no business to do, and giving what information we can upon the subject, and cross-examining witnesses. We all go out of our way in order to establish a certain court of inquiry which is not properly established by law, and we enter into a compromise, as all Englishmen do, to get over a difficulty in the best way we can.

1942. As a rule, do you volunteer to give evidence before the coroners, or do they summon you for the purpose?—In some cases the coroner at once communicates with the Board of Trade, saying that a serious accident has occurred, and requesting that an inspecting officer may be sent down; in other cases the coroner says to the railway company, "I want a Government inspector," and then the company, which is a most improper proceeding, writes to the Government inspector, and says, "The coroner wants you to attend the inquiry"; and in either of those cases, of course, the inspecting officer cannot well refuse to go and attend the inquiry. In other cases, again, the coroner takes no notice of the Government inspector, and he does not attend the inquiry. In one case I remember, not very long ago, an accident occurred on the Midland Railway, and the coroner's jury concluded their inquiry into that accident in one day, and the Government inspector was not present; and there were very great complaints made in the newspapers of that inquiry having been hurriedly pushed through, and of the truth not having been brought to light.

1943. As regards the systematic reporting of accidents to the Board of Trade, are you of opinion that every kind of accident, small and great, should be reported where there is no lesion, or no injury to a passenger?—It would be impossible to direct that every small accident should be reported, as, for instance, when a carriage gets off the line in shunting through a pair of points. A number of accidents happen which are neither worth reporting nor worth inquiring into; but I think that where there is any personal injury or case of death, it should then be reported to the Board of Trade. In fact, under the present law, they ought all to be so reported; even if a man is crushed between the buffers in coupling up, that is an accident which ought to be reported, although perhaps it is not always reported to the Board of Trade;

Trade; that is not a case in which we usually make an inquiry.

1944. You do not make an inquiry in cases where injury has occurred to the company's own servants?—We do sometimes; it is in the discretion of the Board of Trade, if they have received reports of a good many accidents of any particular description, to order an inquiry, to see if something cannot be done to prevent constant accidents of that description.

1945. I want to direct your attention to a statement which was handed in to the Commission which sat on Railways in 1856 by Mr. Edwin Hill, of the Inland Revenue, in which he says, "It is needless for me to dilate upon the efficiency of simple but systematic inspection and report in procuring the removal of curable evils. The manifold defects that have been brought to light by our Poor Law Inspectors, Prison Inspectors, Factory and School Inspectors, and others, and that in consequence have been either cured wholly, or at least much amended, are not unknown, although perhaps not so generally understood and borne in mind as might be wished. But that one of the most effectual means of abating injurious practices, and effecting the suppression of abuses, is to expose them to the broad light of publicity, is a matter too generally understood and acknowledged to need argument. All I have to urge, therefore, is the superiority of continuous, systematic, and thorough examination and inquiry conducted by men of ability, and knowledge of the subject, appointed for the purpose, and hence responsible, in their character and position, for its due performance, over depending upon mere fortuitous information, given by persons, perchance, but imperfectly acquainted with the facts, and concerning not so much the habitual observance or neglect of the appointed precautions, as simply the ill-consequences of their non-observance in individual cases. Under such a system of inspection I think I may unhesitatingly aver that such a total neglect of the necessary precautions, explicitly laid down by the directors, as in the case of the late Staplehurst accident, was shown to attach equally to the workmen, the foreman, and the superintending engineers, could not have been concealed." I think your recommendation is in the same direction as that, that it is better to leave the details of management to the railway companies, giving the Board of Trade more power of systematic inspection of the way in which lines are worked?—Yes; quite so. I think that is the proper way to get improvements made. No doubt improvements have gone on progressing from time to time, but not always so fast as they might have done; but the true way to induce railway companies to advance rapidly when they are loath to move is by bringing public opinion to bear upon them, and not by arbitrarily ordering them, either by Act of Parliament, or by the direct interference of the Board of Trade, to do any particular things at particular times.

1946. Do you think that it would be possible to institute a systematic inspection over railways in the same way which holds good in the case of mines and factories?—I do not see any difficulty in organising any system of inspection, or extending any system of inquiry, as far as might be considered desirable to do it; but I think that it would be most mischievous for the Board of Trade, or any other body, or even for Parliament, to determine precisely what is to be done from time to time as regards details on particular railways.

1947. But the dissatisfaction which exists in the public mind at present is that irregularities or imperfections of system are not brought to light until after the mischief is done and the accident has occurred; and it has occurred to many people that if railway companies were placed under authoritative inspection, a great deal of good might result to the public, and that as the result of that inspection, the railway companies should be called upon to carry out the recommendations of the inspectors, or to show cause against doing so?—It will always remain for the companies, under the system which I propose, to carry out the recommendation or not, as they may think best; but if they do not do so, then, under a proper system of publicity, they would be more directly responsible to public opinion, which they never could withstand. Well-directed, well-organised, and well-instructed public opinion no company can stand up against; and I think that the proper function of the Board of Trade is not to direct the management of the railways, which they cannot possibly direct or control with advantage, but to continually instruct the public as to what is required, and leave it to public opinion to work upon the railway companies to get what is required carried out.

1948. Supposing that such a system of inspection were instituted, would you propose that it still be left as it is, to three or four gentlemen, who are now the inspectors of the Board of Trade?—I do not think that it would be desirable to increase the number of inspectors, or to interfere more than is necessary with the working of the railways; any interference is mischievous; and I think the power of inquiry far more important than the power of inspection. If you increase the power of inspection or the number of inspectors, or have periodical inspections of railways, you must throw a certain amount of responsibility upon the inspectors, because there is nothing that an engineer of a company would like better than to be able to say, "This accident has happened, it is true; the permanent way may or may not have been in fault, but the inspector was over it two months ago, and found no fault with the existing state of things; and as he did not find any fault with the existing state of things, we thought it was good enough, upon his high authority."

1949. When you make up your mind that a certain thing is good to be done, do you discuss that particular recommendation with your brother inspectors?—Yes; we sometimes discuss these matters; and I am very glad to have an opportunity of answering that question, because I see that it has been stated in evidence before the Committee that there are great differences of opinion amongst the inspectors. I have often heard that stated before, but I have never been able to discover any case of difference of opinion that is worth speaking of upon these engineering questions. Upon other questions, such as the questions that are now being discussed before the Committee, questions of policy, there may be very wide differences of opinion. Between my colleague, Colonel Yolland, and myself, the Committee will see that there are many differences of opinion as regards questions of policy. But as regards questions of engineering detail, and the recommendations which we make for the adoption of certain improvements upon railways, I may say

Captain *H. W. Tyler.* 30 June 1870.

we are practically entirely in accord with one another. When any question turns up that we have not previously discussed, we do meet, all of us, occasionally together, and discuss that question, and agree amongst ourselves upon it of our own accord; and it is clearly desirable that we should do so from time to time.

1950. Referring to the latest controversy, namely, as to the communication between passenger and guard, was it not a fact that the railway companies requested the Board of Trade to order authoratively the particular communication which they thought best, and that the Board of Trade decline to take the responsibility on themselves?—All I know about that question was, that I was, in the first instance, ordered to investigate it, and I made a very long report upon it, which was laid before Parliament, recommending that the electric system should be adopted; then, I think, I was abroad, or on some other business, and Colonel Yolland took it up in my absence, and he made a similar recommendation, and he is of the same opinion that the electric system, if any, would have been the proper one to adopt. The way in which the present system was adopted I really know very little about, except that certain representatives of the railway companies went to the Board of Trade, and the Board of Trade authorised them to adopt a system which they themselves recommended and thought best, without referring to the inspecting officers concerning it. The President of the Board of Trade appears to have considered that if the companies were pleased with the rope system, and thought it would do, he might let them try it, and the companies did adopt it, and the result, I believe, has not been very happy.

1951. When the Board of Trade through their inspectors, do make any recommendation to the railway companies that such and such improvements should be made, or that such and such alterations should be introduced, the railway companies are to understand that the inspectors are in accord in their recommendation?—They are, practically; it is simply this, the Board of Trade do not make any set recommendations to the railway companies generally to adopt any particular system, but when an accident happens they do make certain recommendations.

1952. They do not do so now, but it is your proposition that they should do so in the future, and that they should have the power consequent upon an authoritative inquiry of directing certain things to be done?—On the contrary, I say that it would be most mischievous that the Board of Trade should direct anything to be done; and that it should only be by the pressure of public opinion, and not by any direct action upon the railway companies.

1953. Mr. *Davison.*] What I understand you to want is this, first of all, that you should institute those inquiries under the authority of an Act of Parliament?—Yes, certainly, that we should not be required to go to an inquiry without the authority of an Act of Parliament.

1954. And that, by means of inquiring, under that authority, you should have an opportunity of sifting all those accidents, and making a recommendation which should be made public as soon as possible?—Just so.

1955. In inquiries under the Merchant Shipping Act, which are held before a magistrate and a board of assessors, before the captain's certificate, or whatever it may be, is returned to him or kept from him, is not the judgment of the assessors given in open court?—Yes, that is so.

1956. And, as a matter of practice, it generally finds its way into the newspapers there and then?—Yes.

1957. When you go into an inquest, are you generally examined before the verdict of the jury is given?—In most cases.

1958. And, in point of practice, the evidence that you give as regards the particular accident is the substance of your subsequent report?—Exactly.

1959. And is made public, in point of fact, as far as the circumstances are concerned in the way which you desire?—Exactly.

1960. In the court of inquiry which you suggest that the Board of Trade should have power to institute, did I understand you to say that the question of damages and compensation for injuries should be included?—What I say is this, that it is only in rare cases, and in some cases of *fatal* accident, that the recommendation made by the inspecting officer comes out before the coroner's jury in that way, and it does not always come out just as he would wish it to come out, because what is recorded in the newspapers is frequently the result of certain questions which are put to him by jurors and others, perhaps by the attorneys for the sufferers in open court, and his meaning is not always caught very plainly, and answers are published as given to questions which are not always intelligible to persons reading the account.

1961. Do not you think that the public are not much more likely to read the evidence of Captain Tyler before a coroner's jury, or a jury sitting on any inquiry, than they would if it were published in a document presented to Parliament?—Certainly, very much more; only I say that it is not put in the best way, and therefore what I have suggested is, that there should be a better inquiry held with the utmost publicity, and that the result should be immediately published, and you would thereby get publicity in a far better shape than you do now by my examination before a coroner's inquest.

1962. Surely there is nothing to prevent the inspector of the Board of Trade preparing his evidence or his report, call it what you like, in the best possible way, and that being made public just as his evidence is before the verdict of the jury?—It is quite true that he may make a report, but he is not always asked to make a report by the coroner, and sometimes he does not attend at all; and when he does, as I say, the way in which his examination is conducted, either by the solicitors for the sufferers or by the jury, does not always conduce to a very clear understanding of what he means.

1963. Would you answer the question which I asked you, whether you propose to leave the question of compensation for personal injury or for loss of life to this court of inquiry to be instituted by the Board of Trade?—It occurred to me, seeing the great dissatisfaction which exists with the present mode of assessing compensation, that if the Board of Trade had a more perfect means of instituting inquiries they could appoint a regular court for the purpose, and you might take advantage of that court, adding, if you like, a medical assessor to it, to consider the questions of compensation for injuries as between individuals and the companies.

1964. Of whom do you contemplate that court to

to consist, if they had to assess the compensation on the injury which persons may have sustained, or the damages in the case of persons killed?—The Board of Trade is in the habit of appointing arbitrators for all sorts of purposes, under all sorts of Acts, at the present time, and I contemplate that they would select any whom they considered fit for any particular inquiry, and I have no doubt that in the end it would get into a certain groove, and certain people generally would be appointed.

1965. Do not you think that the people appointed would get into a groove?—No, I do not see why they should, because their experience would be so excessively varied throughout the whole of the companies, and over a great area, that they would have every thing to keep them out of a groove.

1966. You seem to suggest that the improvement made in the railways are made by pressure from without, and not made so fast as you would desire them to be?—Not only on railways, but in all things improvements generally come from without rather than from within.

1967. Can you give me one illustration of what you mean by that as applicable to railways, except the block system and the continuous breaks?—I could give you a good many; let us instance the locking apparatus at junctions, which is one of the most important things. The Committee, of course, understand what I mean by the expression "locking apparatus." In the first place, at complicated junctions, by means of the locking apparatus you provide mechanically that it is impossible for a signalman who has to work a great number of points and signals, to make one signal which shall conflict with another signal, so that two trains shall come into collision with one another; it is impossible also for him to move a pair of facing points in a wrong direction whilst a train is passing over them, so long as the signal is down to allow the train to pass. That system of locking apparatus has tended, perhaps, more than anything else to the safety of the public in travelling in railway trains; but we have had the greatest difficulty in inducing some companies to adopt these obvious means of safety. I might instance, if you wish, particularly the case of the Midland Company, who for a long time refused absolutely to adopt this locking apparatus; we have a means of compelling them to adopt it, by refusing to open a junction at which it is not provided, when they come to us with a new line to be inspected; and finding the immense advantage of this locking apparatus as a very great means of safety, and the number of accidents that occurred through the want of it, we did compel them to adopt it; and upon that they wrote a letter to the Board of Trade saying that they placed upon us the responsibility of this locking apparatus, which they believed to be more conducive to danger than to safety. That is an instance of pressure from without.

1968. Have there been any instances where the locking apparatus has caused accident?—No, there has been no accident caused by the locking apparatus that we have ever had to report upon, but there have been a very great number of accidents for the want of it.

1969. Why do not the railway companies adopt it universally?—There are a great many reasons why they do not adopt it. In the first place, there is the question of expense, for it is a costly system to apply to railways where it has not previously been applied; it is a costly addition; that is one reason for not adopting it; another reason is that it has unfortunately been the subject of patents and a good deal of squabbling amongst the patentees, and there are many companies who very naturally object to pay the patentees, and that prejudices them against the apparatus. Then, again, there are personal prejudices; there are different systems, and of course every company has a tendency to like the system of its own officers, and there is great difficulty in introducing any particular system upon the lines of different companies.

1970. That is a case in which the Board of Trade have power with regard to new junctions?—Yes, as regards new junctions, when a new line comes before them for inspection they have that power, but not as regards lines already opened for traffic.

1971. Would you like to have that power extended to the old existing systems?—No, I should not, upon the principle that I have stated pretty clearly, that I think it would be mischievous for us to interfere with the details of railway management, but that we should rather show to the public that this locking apparatus (for instance) is a great means of safety, and in that way bring public opinion to bear upon the railway companies. In fact that has been done and is being done; the system is being extended rapidly, and more and more rapidly as it is found to be more and more useful.

1972. You do not want any legislation to help you in that direction?—No, I do not want the Legislature to intervene directly at all.

1973. In fact it comes to what you said before, the less you interfere with the working of the railways the better, because the moment you interfere the responsibility is put, to a certain extent, upon the inspectors?—It is not that I am at all afraid of responsibility, but that I conceive it to be an entirely wrong principle that we, who are not daily watching the events upon each particular railway, should attempt to control the management of them.

1974. The responsibility, you consider, is better upon those who have the actual working of the traffic?—Clearly, it would be ridiculous for anybody to attempt to interfere in the details of the management of a railway who had not the control of that management from day to day. A railway is a thing which requires constant supervision from day to day, from hour to hour, and from minute to minute, and for anybody sitting in Whitehall to attempt to manage the railways of the kingdom would be a perfect absurdity.

1975. That answer would apply to the block system, and also to continuous breaks, because in ordering that to be done you would take upon yourselves a certain amount of responsibility if any accident occurred after it was done?—I should be very happy to take any responsibility for any accident that occurred in consequence of the use of the locking apparatus, or the continuous breaks, or the block system, and I say that those are improvements which it is very desirable to have made, and to bring in to extended use upon railways in the way that I have suggested.

1976. But you do not desire that the Board of Trade should have the power to order them absolutely?—No; I think it would be very mischievous that the Board of Trade should be able to order any particular system, because it is not that the block system is one system, and that the

Captain *H. W. Tyler.*

30 June 1879.

locking apparatus is one system; there are various systems of locking apparatus, and various ways of working the block system. It is quite clear if the Board of Trade say to a company, you shall adopt a particular block system, or a particular locking apparatus, the company might, if they thought proper (though I do not mean to say that they would do so), even cause it to fail, and say that the Board of Trade had ordered a thing to be done which could not possibly succeed.

1977. I dare say you would admit that railway companies, as a rule, are managed with a great deal of ability?—No doubt many railway managers are some of the most able men in the kingdom.

1978. And do you think that those men, when they have good dividends, improve their permanent way and improve their rolling stock to the best of their ability?—I have noticed, curiously enough, that in the case of those companies where the dividends have been least, or even have been nil, improvements have sometimes taken place more rapidly; and that where it has not been necessary (as on more prosperous lines) to eke out an extra quarter per cent. of dividend, more money has been spent upon the permanent way and rolling stock than in the case of some companies that have been richer.

1979. Has that been where the company had been in Chancery?—Not at all.

1980. Mr. *Sherriff.*] Although you have no legal power to institute inquiries into accidents on railways, is it your experience that any difficulties have been placed in your way by railway companies, in instituting inquiries and examining into the causes of accident?—No; I have always met with the greatest courtsey, and every facility, that I have desired in making my inquiries; all I say is that I do not think it a proper principle that a public department should go on for a series of years instituting inquiries which they have no legal power to order.

1981. The public at all events have not suffered from those examinations being incomplete, arising from the unwillingness of railway companies to give you all the information which you desire to have?—No; I do not think the public have suffered at all for the want of information or examination, or in that respect, but I think they have suffered materially in the want of more speedy publicity of the recommendations which are made to the companies. The word "recommendation" has been so often used that I should be glad to be allowed to say here the way in which those recommendations are made. The recommendations are not made directly by the Board of Trade, as a Board, to the railway companies, but they are simply recommendations which are contained in the reports of the inspecting officers to the Board of Trade. The Board of Trade order an inquiry into an accident, the inspecting officer sends to the Board of Trade his report upon the accident, and the Board of Trade simply send that report to the company with little or no comment.

1982. With respect to the use of continuous breaks, do they not require very constant examination to keep them efficient; are not the blocks of continuous breaks very liable to wear irregularly, and must there not be constant supervision so as to alter them that they shall act when required?—No; I think on the contrary, they do not require such constant supervision and inspection as the ordinary breaks, and for this reason, where you have a small proportion of break power in a train, say one or two break vans, or say one break van to a number of carriages, the blocks are worn out far more rapidly, and the wheels are worn into flat places by being skidded, and that break will not last nearly so long as where you employ a system of continuous breaks, in which it is scarcely ever necessary, and never desirable, to skid the wheels at all. There is in the case of continuous breaks very much less wear upon the break blocks upon the wheels and upon the permanent way, and where there is less wear there is increased safety.

1983. My question referred to the irregularity of various blocks all acting at the same time?—With regard to the question of irregularity, I may say that in some of those continuous breaks they are simple means of compensation, and that though the blocks may not wear with perfect regularity, the system of breaks is in no way deteriorated by use on that account, but acts perfectly well, however irregularly the blocks may wear.

1984. Do not you think that the extension of the break power would be better in the hands of the engineman than any where else in the train?—In some respects, yes, and in some, no. There have been several cases in which the guards have not heard the engine driver's whistle, and have not been able therefore to apply their breaks at a critical moment. For that reason it is desirable that the engine driver should himself have the power of applying certainly a very large proportion of the break power, if not the whole of the break power, of the train in a moment of emergency. But on the other hand, that should only be done by giving the engine driver the power of applying breaks at the tail of the train, and not a superabundant break power at the head of the train, because there are many cases of accidents in which perhaps a tyre or an axle may break in the leading part of a train, where it is very necessary not only not to apply the break power at the head of the train, but to keep the steam on, and to keep running on, so as to prevent the carriages from doubling up upon one another, and to allow the breaks at the back of the train only to act in pulling up the train, without doing damage to the carriages and passengers.

1985. But would not a number of continuous breaks in a train, unless all were applied at the same time, have rather a detrimental effect in that case; supposing you had a break attached to an engine and tender, and three continuous breaks to be applied by three guards, if they were not applied all together, would there not be a chance of the very accident occurring which you now speak of?—Not at all; the accident which I am speaking of is with respect to some vehicle in the leading part of the train, where it is desirable that all the break power that is applied should be applied at the tail of the train, in order to save a bad result in the middle of the train, or should be applied, at all events, behind the disabled vehicle. Then, again, there is no disadvantage in three or four guards in a train, in seperate vans, all applying their breaks one after another. And continuous breaks are really safer than having separate breaks in a train, whether you apply them all together, or one set after another in either case.

1986. Speaking of railway companies getting into grooves as respects their permanent way, I did not quite understand your remarks upon that head,

head, but is it not quite true that as regards the permanent way, almost every year shows that there is a great increase in the strength of the way, and in truth in the adoption of heavier rails and steel rails and other means for making a stronger permanent way than has hitherto existed?—Yes, no doubt. As we have gone on, the weight of engines has increased very much, and therefore the strength of the permanent way has increased very much; and the permanent way, I do not hesitate to say, on a number of railways in this country, is in a far more perfect state than it was 10 years ago.

1987. With regard to the inspectors of the Board of Trade having the power, which, I think, in many cases it would be very beneficial if they had, all the inspecting officers of the Board of Trade have not the experience which Colonel Yolland and yourself have in railways; you must get new men at times?—Of course, if one fails or dies you must get a new one.

1988. It would be very difficult, would it not, to put on a new inspector with the same amount of knowledge and experience as those who have been at the Board of Trade for a long time?—No doubt, every inspecting officer must learn his work by degrees.

1989. You would not be inclined to say that the recommendation of a new man should have the same effect as the report of those who have been for many years conversant with railway practice?—No, excepting that a new man in time becomes old.

1990. But it takes time, does it not?—Yes, it takes time; and of course the recommendation of a new man would not be of the same weight, I apprehend, as the recommendation of an old one.

1991. Sir *H. Selwin-Ibbetson.*] I think I understood you to say that the inspectors of the Board of Trade consult together with regard to those questions, and consequently a new man would have the advantage of the experience of the rest of the inspectors in any recommendation that he made?—Yes; he would, if he were wise, always consult with those who have been a long time in the department on any question of difficulty.

1992. Consequently his recommendation would not represent his own imperfect knowledge, but would represent the more perfect knowledge of the inspectors before him in office?—Provided he consulted those officers.

1993. Which you say is the general practice in your office?—Yes. I was asked as to limiting the amount of payment which should be made to sufferers in the case of railway accidents, and I think I said that I thought it desirable that the amount should be limited. Might I suggest that there should be a maximum of 3,000 *l.* for first class, 1,500 *l.* for second class, and 750 *l.* for third class; and that, as the companies complain on the one hand of there being no limit to their liability in the present state of things, it would be only fair to the public that they should, on the other hand, have, if the liability were so limited the improved system of inquiry with publicity which I have endeavoured to suggest; that these should be given to the public as a set-off against the limit of liability which might be given to the companies.

1994. Mr. *Denison.*] With reference to that limitation, may I ask what has led you to the conclusion that those particular amounts would be advisable, 3,000 *l.*, 1,500 *l.*, and 500 *l.*?—I have been considering very carefully what should be the amount; I have heard 1,000 *l.* suggested by some people, and I have heard 5,000 *l.* by others, and so on, and it is only by considering what was too much, and what was too little, that I have arrived at these figures. I have seen it suggested by one of the witnesses that there should be one limit to all classes; but I think it only fair that a man who pays more for better accommodation should have a higher limit than a man who pays less; and I would further say that in the case of those figures, practically the average limit would not be the average between 3,000 *l.* and 750 *l.*, because there are a great many more second and third class passengers carried than first class passengers; therefore the limit of 3,000 *l.* for first class would be very much reduced in calculating what the average limit would be amongst the three classes.

1995. But you have not arrived at those figures from any returns from the railway companies, of the average amount of compensation given in cases of accident?—No, I do not think it would be at all fair to arrive at it from such returns.

1996. Have you made any estimate at all whether the railway companies would be better off under this maximum, or worse off than under the present system?—I apprehend they would be better off, because this is a maximum; it does not follow that every third class passenger should get 750 *l.*

1997. You are aware that two of the judges are of opinion that if a maximum were fixed, the tendency of juries would be to give it in almost every case?—I would not allow this maximum under the present system at all; I am suggesting in connection with this maximum of compensation another system of inquiry, and of assessing money compensation for the sufferers; it all hangs together.

1998. Mr. *Winn.*] You stated, did you not, that there was a difficulty about adopting the locking system, because it was a patent?—I cited that as one of the difficulties.

1999. Has not the patent now expired?—Partially; there are several patents still applicable to it.

Mr. Charles Shapland Whitmore, Q.C., called in; and Examined.

2000. *Chairman.*] I think you are one of Her Majesty's Counsel, and Judge of the County Court of Southwark?—I am.

2001. You have had knowledge, I think, of the circumstances which led to what is called Lord Campbell's Act?—I have.

2002. Will you just state them, for the information of the Committee?—In the year 1845, I was applied to by a client of mine, who was a solicitor at Stourbridge, to assist him in framing a Bill to be introduced into Parliament for the protection, as he stated, of his neighbours, who were concerned in the mines in that part of the country, Staffordshire and Worcestershire, amongst

Mr. *C. S. Whitmore*, Q.C.

30 June 1870.

amongst whom there was a general wish that there should be some measure giving to the survivors of the persons injured, or ultimately killed, perhaps, by something wrong in the construction or the working of mines, and in short, compensating families for the death of somebody concerned in the working of the mines. He said that he was moving in it at their instance, and that Lord Lyttelton, their neighbour, who lives at Hagley, would be good enough to introduce the measure in the House of Lords, if I would assist him in framing it. I was at the moment acting as counsel in a committee room in the House of Commons, and I went out with him into the corridor, and I drew up two or three clauses which, the same evening, I think, were introduced in the House of Lords by Lord Lyttelton. The Bill passed through the House of Lords, and in the House of Commons it dragged a slow length along, until ultimately it was defeated by the veto of the Attorney General of that day. It seemed to the lawyers of that day to offend against first principles, especially against the well-known legal maxim, "*Actio personalis moritur cum personâ*;" and some of the great pillars of our profession stood up resolutely against it, and it was thrown out. In the next year it was re-introduced, with very little change indeed in phraseology, by Lord Campbell, and carried through the House of Lords and through the House of Commons.

2003. Then it was with regard to mining accidents that it was originally suggested?—Entirely. No thought of railway accidents entered into the matter at that time; but the language of the Act, as everyone knows, comprehends every case of death by accident.

2004. It has been suggested to this Committee that the county court judges should act as arbitrators in examining into the amount of compensation to be paid for railway accidents; do you think that that system would work well?—It would throw, of course, a very heavy duty upon the county court judges; but if I may speak from my own experience, I think almost anything would be better than the present system of trial by jury; for once a jury is summoned to try a case against a railway company, anything like fair play can hardly be obtained. I have instances every day almost.

2005. In what way do such instances come before you?—In the familiar way of an action against a railway company for some damage, owing to supposed negligence on the part of the company; the complainants in such a case invariably exercise the option of having a jury, and having a jury, unless the judge is very firm, almost any state of circumstances indeed will be treated as proof of negligence, and if a jury have once hold of such a question as that of negligence or no negligence, they will most unquestionably always find it to be negligence, and give as much as they possibly can. I had a case only the day before yesterday; a traveller by the Metropolitan Railway was kind enough to assist some ladies out of a carriage; they got on to the platform safely, and the porter, in the due exercise of his duty, shut the door as soon as they were safely out; the porter knew nothing of what was going on in the carriage, but it seems that this gentleman in shifting his position had got his arm into the opening of the door, and in shutting the door it caught his arm and gave it a very severe pinch indeed, and he brought an action for the amount over which we have cognisance, namely, 50*l.* for it. There was not the slightest possible evidence of negligence; the porter could not tell what was going on inside the carriage, but if I had not stated that there was no evidence to go to the jury, if I had allowed it to go to the jury, they would undoubtedly have said that there was negligence, and that the claimant was entitled to his 50*l.* compensation. For when I said to them, "Gentlemen, there is no evidence of any negligence," they showed by their expressions and manner that they were very much disappointed that they could not give the man what they thought just redress. And that occurs continually. If I am asked whether the county court judges would be a fit substitute, it would be rather premature to give them such extended powers as that; what may happen to the county court by-and-bye is another question, but I think it would be rather too large a duty for them to undertake now.

2006. Mr. *Davison.*] It would not be a pleasant duty for county court judges to have to deal with those questions of compensation in the numerous instances that occur?—Not at all.

2007. And county court judges, like other people, would naturally get into a groove, and increase their disposition one way or the other?—Quite so.

2008. And it would be an unpleasant duty, would it not?—It would be very unpleasant, no doubt.

2009. One of the learned judges the other day, Mr. Baron Martin, suggested that he thought the judges might have power to withdraw cases from a jury there and then; I mean with reference to a nonsuit, that they might not be so subject to have a nonsuit set aside upon a mere scintilla of evidence; do you agree with that observation?—I have not had the advantage of seeing what has been stated upon the subject, but I cannot help thinking that that would be a move in the right direction. I think too much is left as a question, about which there should be no question at all. I dare say the Committee have heard of many instances by this time; there is the familiar one of the lady passenger who brought an action against a company for a broken leg, I think, because she tripped over a hole in the carpet; that is a well-known case, and that is by no means an extreme case; every day those things are cropping up. The Committee have probably heard instances of how these things are manufactured; but if not I will give one that occurred a month ago in my own court. It was a very simple case, and it is an illustration of how easily it is done. A man who had suffered some little injury or other in one of the railways, had dealings with a young attorney in another matter, and this young attorney said to him, "Do not you think we might have an action against the company for this?" so they put their heads together; it was agreed that there should be an action, and the attorney then said, "Let us see what amount we will claim;" and they agreed that they would be satisfied with 50*l.*, which is the present limit of the county court jurisdiction; and he thereupon said, "I will engage to bring this action in the county court at no cost to you, except in the event of success." On that footing the matter proceeded; but instead of bringing it in the county court the attorney brought it in a superior court, and after he had gone up to the very verge of trial, wanting funds he applied to the injured person for pecuniary assistance. Then he

he said, "What do you want of money? I never authorised any proceedings that would cost me anything, and I resist it." In this action the claim against the defendant, who was the attorney, was for an acknowledged debt of 20 *l.*; the defendant, the attorney, claimed as a set-off the bill of costs in bringing this action, and it transpired, as a further part of the arrangement, that not only should this action be so brought, but that his cousin, who was also his namesake, should be the medical man employed to attend him, and to give evidence on the trial. The whole thing was the most self-evident concoction and speculation that could be conceived, neither more or less. I should not have remembered this case, except that I had preserved the papers in it to show the Judicature Commisssion, of which I am a member, the difference in the scale of costs between proceedings in the superior courts and proceedings in the county courts, so that has fixed it on my memory.

Mr. *C. S. Whitmore*, Q.C.

30 June 1870.

Mr. James Grierson, was called in; and Examined.

2010. *Chairman.*] You are Manager of the Great Western Railway Company, are you not?—I am.

2011. Were you manager of the Shrewsbury Railways?—I was formerly manager of the Shrewsbury Railways before being manager of the Great Western.

2012. Will you state to the Committee the grounds upon which you consider that the present law as to compensation ought to be altered?—One of the grounds is the unlimited liability which railway companies are subjected to. As an instance of that, I would state that in an accident which we had a few years ago, a certain number of passengers, who had paid us 2 *s.* 6 *d.* each for a trip of 135 miles, in the whole amounting to 10 *l.*, were injured, and for that we had to pay 24,790 *l.* In another case, where we charged a certain number of passengers 12 *s.* 6 *d.* each for a trip of about 450 miles, a certain proportion of them were injured, and in that case we received about 87 *l.* and we had to pay 42,230 *l.* I give this further illustration, that if we were carrying a certain number of third class passengers, say from London to Birkenhead, or Manchester or Plymouth, we get for a couple of hundred of those passengers a certain sum of money, but if an accident happened unfortunately, and they were bachelors with none dependent upon them, the claim might be very slight or scarcely anything at all; whereas if they happened to be married men, our experience in several accidents shows that the amount to be paid would be very large. Supposing we had had an accident to the persons whom we carried to Windsor last Friday, and we got about the same amount of money that I assume we would have got for 200 third class passengers, the amount of compensation might be so enormous as to very seriously affect our dividend for 12 months.

2013. Have you anything to say with respect to the character of the tribunal which settles the liability and the amount of compensation?—Yes; if you will allow me, I will very briefly give you a few instances showing the excessive damages, first, which have been paid in actions which we have defended. In the first case the claimant held a third class excursion ticket, for which he paid 2 *s.* 6 *d.* for a journey of 135 miles, and was injured in a collision; he claimed 10,000 *l.*, and at the trial it was represented that he was permanently disabled, and that his business (which was represented to be worth 400 *l.* a year, but his books did not bear out the statement) was totally ruined. The jury awarded him 6,000 *l.*, within a short period claimant was, and is now, attending to his business, which appears in no way to have suffered in consequence of his accident. Case No. 2, claimant (injured in the same accident as before-mentioned) was also a third class excursion passenger, and paid for his ticket 2 *s.* 6 *d.*, also for a journey of 135 miles; he held a situation in the Customs at a salary of 120 *l.* per annum. The medical evidence at the trial was to the effect that his case was hopeless; in fact, it was stated that he was wholly incapacitated from performing his marital duties, and his wife, to whom he had been married but a few weeks, was put into the witness-box to depose to this alleged fact. It was also stated that fits of the most severe nature were the result of the accident, but the company proved at the trial that he had been subject to fits from his childhood. The company's counsel, against the wish of their solicitors, agreed to the question of compensation being referred to two medical men then present, and they awarded the sum of 3,500 *l.*; within a month of the trial, claimant returned to his duties at the Custom House, and was soon after promoted. Within 12 months his wife was delivered of a child, and he is now and has been as well as he was before the accident occurred. Case No. 3, arose out of the same accident. The claimant in this case held a third class excursion ticket, for which he paid 2 *s.* 6 *d.*, the journey being 135 miles. His income was proved to be no more than 60 *l.* a year. Two medical men stated that he would be disabled for life, and the jury gave a verdict for 1,200 *l.* Within a year claimant joined his father in business, he has been seen dancing at balls, and has apparently nothing the matter with him. Case No. 4, claimant was a third class excursion passenger, and paid 12 *s.* 6 *d.* for a journey of 458 miles. Two eminent physicians called by her having stated that claimant, who was a barmaid, had received injuries to the spine of a permanent character, and would never recover, the company were advised that on such evidence a jury would give heavy damages, and accordingly they paid her 700 *l.* compensation, and 300 *l.* expenses. Within seven months claimant was dancing at the Licensed Victuallers' ball, and soon afterwards married. In case No. 5, an action was brought for injuries alleged to have been sustained in a collision. Medical evidence was given at the trial to the effect that the injuries he had sustained were of a permanent character, and would incapacitate him from following his business as a miller and farmer, and the jury gave a verdict of 5,750 *l.* Within a short time of the accident claimant was attending to his business as formerly, and is now to all appearance in perfectly good health. In case No. 6, claimant's wife was injured (it is believed very slightly) in a slight collision

Mr. *J. Grierson.*

Mr. *J. Grierson.*

30 June 1870.

lision during a journey for which she paid 6 *d.* The damages were laid at 4,000 *l.*, and the medical evidence represented the case as being of the most distressing character, and likely to terminate fatally. A most painful scene was got up in court, and the jury awarded 1,250 *l.* The lady has since had one, if not two children, and is believed to have little if anything the matter with her. In case No. 7, the plaintiff, a commercial traveller, received a blow on the shin, in a slight collision; he was not laid up for a single day, but he nevertheless claimed 200 *l.* The company, admitting the liability, allowed judgment to go by default, and the case was remitted to the Sheriff's Court for the damages to be assessed, and the jury gave the plaintiff 300 *l.*, being actually 100 *l.* more than the claimant asked for. Perhaps the Committee will allow me to give one or two cases showing the course adopted by solicitors in getting up actions against companies; we have some very strong cases. In the first case, the claimant was injured in a collision, and claimed 15,000 *l.*; it was represented at the trial that plaintiff had become a "drivelling idiot," and could not be brought into court. The company disbelieved the statement, and application was made to the court for the plaintiff to be examined by a commission, which was granted, and the trial postponed. The solicitor for the claimant, finding that his client was to be examined at his own residence, advanced him 450 *l.* to purchase stock for his shop, to bear out the statements that had been made, that he was in a large way of business, and doing a good trade. Instead of being found an idiot as stated, and unable to move from the bed on which he was lying (which was also alleged), he was found to be in full possession of his senses; he could walk about, and it was quite clear that he had perfectly recovered from the injuries sustained. In another case, a Manchester solicitor employed a tout to get the claimant, who received slight injuries on the railway, to take proceedings against the company, which he succeeded in doing. Claimant falsely represented his injuries to be of a serious character, and the matter was settled out of court, through his solicitor, the company paying 300 *l.* damages, and 26 *l.* 10 *s.* costs. Afterwards, on claimant finding that he had only received half the amount paid by the company, and that the tout and the solicitor had divided the remainder between them, he brought an action against the tout and recovered his share of the money. Baron Martin, who tried the case, commented strongly upon the manner in which the company had been swindled, gave them a copy of his notes, and impounded the documents produced in court; but the company were advised that they had no redress, and the matter was allowed to rest. Another claimant brought an action for a large sum, and the company paid 250 *l.* into court, which sum was accepted in full satisfaction of the claim; claimant only received 20 *l.*, the remaining 230 *l.*, together with his costs, having been appropriated by his solicitor. Another solicitor employed a tout to induce two claimants to bring actions, which he succeeded in doing, and obtained 98 *l.* 10 *s.* compensation. The solicitor then claimed from his clients one-half the amount received from the company. In case No. 5, a claimant was injured by being run over by one of the company's vans; his injuries were represented to be of a very serious character, but they were proved, on inquiry, to have been very much exaggerated. The solicitor (who got the case through a tout) was well known to the company from his conduct, in previous cases, as being a man who induced persons to bring actions for the purpose of making costs, and in this case he offered to "make" his client take 50 *l.* in settlement, provided that thirty guineas was paid to him for his costs, which on taxation could not have been put at more than from 5 *l.* to 7 *l.*; we paid him the 30 *l.* to get the claimant to take 50 *l.* In another case the claimant's wife was stated to have been ruptured in alighting from a carriage, and the damages were laid at 2,500 *l.* At the trial it was sworn that claimant, who was an innkeeper, was in a good way of business, and had saved money, and owned house property. A verdict was given for the company, and when they endeavoured to obtain their costs, the claimant threatened to become bankrupt if pressed, and eventually he was declared bankrupt, and at his examination in bankruptcy he swore that he had no property, that he had been prevailed upon by his medical man to put his case in the hands of his (the doctor's) brother, a solicitor; and he explained that the nature of his arrangement with the solicitor was, that if he did not obtain a verdict against the company, the solicitor should not only charge him nothing, but would also bear the out-of-pocket expenses; but if he succeeded, he was to have 20 per cent. of the damages, and his costs. It transpired in this and other cases that this solicitor and his brother (the medical man) had for a considerable period been playing into each others' hands in cases of this kind for the purpose of running up bills; they were both concerned in several cases against the Great Western and other companies, and it appeared that when the doctor got hold of a case he induced the injured person to consult his brother, the solicitor; an action was brought, and both had to be amply compensated before the case could be settled. In the same way the solicitor induced his clients to allow his brother to attend them with the same object. So frequently had this been done, that the company felt themselves bound to take advantage of the admissions made by the plaintiff in this case, and they applied to the Court to strike the solicitor off the rolls; but the judges stated that as he had had to lose his costs, and it was not clear that he had actually taken the initiative in inciting the claimant to take proceedings (the latter having called upon him and not he upon the claimant), they would not take the extreme course of striking him off the rolls, but to mark their sense of his conduct, they discharged the rule without costs, which had the effect of making him bear his own costs.

2014. Will you tell us what are the views of your company with respect to the alteration which they think ought to be made in the law?—In the first place, we consider that it is a great hardship upon public companies to be subject to unlimited liability to which they are, and while Parliament has limited us in our fares we are not in a position to make a bargain with the passenger; that no matter whatever is done we are not to charge above a certain fare, and at the same time, although the position and circumstances of passengers vary so considerably, our liability is not guarded in any way whatever.

2015. Have you thought what the nature of the limitation of the liability should be?—We have discussed it with the other railway companies, the majority of whom are in favour of the limitation which has been suggested to you by Mr. Blenkinsop,

kinsop, and in which we entirely concur, that some such limit as he has stated, increased of course for the amount at which a passenger may insure, would fairly meet the case both of the passenger and company.

2016. Do you know the amount charged by the Railway Passengers' Assurance Company?—Yes.

2017. It is 3 *d.* for 1,000 *l.*, a first class passenger; that, I suppose, in some respects, is a measure of the risk?—Yes.

2018. You concur in the sums that were mentioned by Mr. Blenkinsop?—Yes. I may state, that in one year the amount which we paid would have taken nearly 5,000,000 passengers at 3 *d.* each to have borne our costs that year.

2019. What have you to say as to the tribunal for settling compensation?—I agree with the last witness, that almost any alteration would certainly be an improvement for the railway companies. Of course companies hold different views upon this subject, and we cannot all have our own way, and therefore we fall in with the suggestions that have been made if the Committee should decide upon recommending the county court judges. The railway companies themselves, as a matter of course, hold different views upon the subject, but the majority were in favour of suggesting that the county court judges should be the tribunal, and if the Committee should so decide we should be very willing to have it tried.

2020. Have you considered that clause in the Regulation of Railways Act, 1868, by which a medical gentleman is appointed by the court?—Yes; and I have been specially requested to read to the Committee a letter from a brother of the late Sir William Lawrence, which it is thought might have some weight with the Committee. It is a letter written by Mr. Lawrence, of Cirencester, to our chairman, dated the 22nd of March 1870, in which he says:—"My dear Sir Daniel,—I have seen in the newspapers some intimations of proposed legislation during this Session on the railway system, and that the companies propose to claim some protection against exorbitant claims in cases of accidents. As in the important post you occupy in one of the principal companies, you will no doubt have something to say on this subject, I think it is a good opportunity to mention to you some observations which I heard repeated more than once by my brother, the late Sir William Lawrence, after having been called on to give evidence on the occasion of accidents on the part of companies, on the trial of action by claimants. He remarked there were too many instances in which he had observed professional men, to say the least of it, too much biassed in favour of the party by whom they had been called; that such cases were injurious to the reputation of the profession, and that it was often very embarrassing both to judge and jury, and often led to injustice. His opinion was, that the professional evidence called should be quite independent of the parties, and named by some public officer, on the same principle as an officer of the Board of Trade is sent down to inquire into the causes of accidents. I thought this so reasonable and practicable a suggestion, that I intended reporting it when any opportunity should present itself for any action on it." That Act of 1868 did provide that a medical referee should be nominated by the court; but in a case in which we required a gentleman to be appointed, the other side objected to his report being put in, and the consequence was that the judge ruled that there was no provision in the Act for the report being received, and that it could not be put in evidence.

2021. As far as you can form an opinion, you think that there is no value to be attached to that provision?—It is valueless at present.

2022. What are the views of your company with respect to workmen's trains; have you any workmen's trains on your lines?—Yes; we are not under compulsion to run any workmen's trains, nor have we a limitation of liability; but we are joint owners of the Hammersmith Railway, which runs through a district where there are a great many workmen's houses, and the workmen having sent a deputation to the Great Western and the Metropolitan Companies, and requested us to run workmen's trains, we have done so as an experiment. We commenced in March last. We have not had much experience as yet. We have run them, as I said before, without being required either by Parliament to do so, or without a limitation of liability, although we did apply for it this Session, but it has not been granted.

2023. What restraint do you place upon the passengers; can anybody get into one of those trains?—We profess that they shall only be for workmen, but I have no doubt that any person who pleases uses them; we have been advised by the solicitor that if we require them to give a declaration they must do so, and that declaration might prevent any person except a workman getting in, and it might also have the effect of limiting our liability, but it is not certain; we do not push it; we have rather a desire to accommodate people if we possibly can, and therefore we have not put any stringent regulations in force.

2024. What is the fare that you charge per mile?—We charge 2 *d.* from Hammersmith to the City, about eight miles, which would be about a farthing a mile.

2025. Have you more than one class in the train?—Only one class.

2026. Do a great number avail themselves of it?—They are increasing.

2027. How many a day do you run?—I think last month we carried about 3,000 passengers by the train in the morning, and they are allowed to come back by any train in the evening; we have not confined them to return trains; we do confine them in the morning to a special train, and that special train takes them to the City in the morning, but we allow them to return by any train after six in the evening.

2028. Carrying any amount of tools?—I do not know that that question has arisen; I have no doubt there has been no difficulty about it, or we should have heard of it.

2029. *Chairman.*] Has it answered up to the present time?—As far as we have tried the experiment, we have carried quite as many people as we expected; of course, we are not in a position yet, only having commenced on the 1st of March, to give any decided view upon it.

2030. Have you had any accident?—None.

2031. What would you recommend as to workmen's trains?—We have no proposal to make, except this, that where we charge such low fares we certainly think that we ought to have a limit of liability.

2032. Do you know the provisions, with respect to workmen's trains, of which other companies

Mr. *J. Grierson.* 30 June 1870.

have availed themselves?—Yes; but those provisions were put in as against those companies, because they had destroyed a certain amount of cottage property, but we have not destroyed any cottage property whatever on the Great Western Railway.

2033. Do you think that you ought to have the same benefit?—We ought to if we give workmen those advantages; we did introduce a clause into a Great Western Bill this Session, and it was passed by Lord Redesdale, but when it came to the House of Commons they struck it out, on the grounds that this Committee were inquiring into the whole question, although otherwise we believe that we should have obtained it, because I was before Lord Redesdale for some time upon the subject, and I am sure that we satisfied him of the reasonableness of it, because he passed the clause, but afterwards it was thought that it had better be dealt with as a general question.

2034. Sir *H. Selwin-Ibbetson.*] You have, to a partial extent, have you not, adopted the block system on parts of the Great Western Railway?—We have.

2035. Was it adopted in consequence of the recommendation of the inspectors of the Board of Trade?—No, we have never adopted the block system on any portion of our line in consequence of the Board of Trade.

2036. Not with regard to the recommendation that was made, I think, in November 1868, about that accident at Bullspill station?—No; I say that we never have put it upon any portion, so far as I remember, from the recommendation of the Board of Trade, or there may be a small portion that we have done in consequence of that.

2037. Are you not able to speak with regard to the accident in which Captain Tyler recommended on the 5th of November 1868, that the block system should be adopted on that part of the line?—Yes, I remember it perfectly; but it has not been adopted.

2038. Notwithstanding that recommendation, and the report of the inspector that the accident was caused from the want of that system being in force, you have not adopted it?—We have not done so; but with regard to that let me explain this; we have been putting the block telegraph on a portion of our line since that time, and that is one of the portions which we have looked at, and included in the list of places where we shall probably put it down; but we have been considering the question as a whole, and our chairman, who is largely connected with the telegraph companies, was requested by me to try and find some gentleman who was informed of all those inventions, an electrician of experience, and who should be quite free and unbiassed; and he has for some time past been making experiments for us with various inventions; therefore we have made very little progress in putting it down on our line.

2039. But your directors are prepared, from what you say, to work the block system as soon as they can on these portions of your line?—On those portions of the line which we consider to want any additional safety, and we are doing it now.

2040. I suppose where the traffic is great, it is a greater advantage than where the trains do not follow each other with great rapidity?—No doubt.

2041. And those are the portions to which you intend to apply the system?—Yes; we have it now through the tunnels, for instance, and upon the inclines; but it is very questionable how far it is desirable to put the block telegraph on those portions of line where the men would not be fully employed, because any system which was not carried out properly, I think, would only be leading us into a trap; however, we are so far in favour of the block that we are trying it as an experiment.

2042. Do you think that on those portions of the line where you have adopted it you have been freer from accident under the block system?—No, I cannot say that, because two of the most serious accidents that we have had have been where the block system was.

2043. Are you referring to the accident in 1869, on which Captain Tyler reported, near to the Cradley station; I was not referring to that one at the time, but that was one where the block system was in operation; the one I was referring to was at Pontypool where the block system was in operation, but where the signalman gave the signal "line clear" when it was not clear, and that led to an accident which, I think, cost us 24,000 *l.* The other occurred between Paddington and Westbourne junction, where it is upon the block, and where the driver ran past a signal.

2044. Those accidents occurred from the negligence of the servants of the company, not from any default in the system itself?—Precisely; it is quite a mistake to suppose that working the railway on the block system would prevent a very large proportion of the accidents which do occur.

2045. It would diminish the number of accidents, you believe, but not prevent a large portion of them?—It ought to diminish them in certain cases of collision.

2046. You are aware that as inventions go on, there is a possibility of even diminishing the number of people who would have the charge of those signals; we had evidence before us the other day that a train can now be made to record, itself, its passage into another block, thereby doing away with the necessity of the signalman, leaving it only to the driver?—I have had no experience of that, but I should say from the experience which I have had, that it would require to be in operation for some considerable time before I should place any reliance upon it.

2047. Have you had any experience upon the Great Western, of the system of continuous breaks, of which we have had some evidence?—We have continuous breaks upon two portions of our line; but our people are very strongly against them.

2048. Can you state any reason why they should be against them?—The principal reason is that they are always out of repair; that is the reason always assigned to me. I was consulting the engineer about it no later than yesterday; he is a very able and practical man, and he certainly has a very strong feeling against them.

2049. I think you heard the evidence that was given by Captain Tyler on the subject of continuous breaks?—I did.

2050. You differ, do you not, from Captain Tyler in saying that they are as likely to keep in repair, in fact more likely, than the other break, because they are more generally applied, and not applied so strongly?—I can only say that our experience is, that it is not so on our line; I cannot say what it is on other railways. Subject to what

what I say, I have been rather anxious to adopt them, if they could be adopted, with advantage.

2051. Your own opinion, then, would be that the continuous break would naturally increase the safety of the passengers, if it could be adopted?—Anything that would enable you to pull up a train quickly when necessary would be an advantage; but in the case of a main line, like the Great Western, where the carriages are broken up at the junctions, our experience is that the continuous break has not the same advantage as it unquestionably has upon the Metropolitan Railway.

2052. At the same time it must materially increase the break power if you have continuous breaks, even at the end of the trains?—Yes, if they will work, and if you can rely upon them. If you put a continuous break upon a train, and it works 19 times out of 20, a man is in the habit of pulling up his train within a short distance during that 19 times, and he calculates on the 20th time that he will pull it it up within the same distance; but those breaks are not to be relied upon, and might cause an accident instead of preventing one.

2053. Have you had sufficient experience of the working of continuous breaks to tell the Committee that they are not to be relied upon in working?—No; I will not go so far as that. I will only say this, that in Shropshire, where we use them on stiff gradients, and also in the Pontypool district, they are very frequently out of order.

2054. Mr. *Sherriff.*] Have you the best kind of continuous breaks?—The breaks that we use are Clarke's breaks, which we have been told are the best breaks. Of course, like every other invention, there are parties who take one side and parties who take the other.

2055. Sir *H. Selwin-Ibbetson.*] With regard to the question of those inventions, a good deal of evidence has been given that different inventions are recommended, and are constantly being brought before the notice of companies by the inspectors of the Board of Trade; in what way are they treated by the directors; do they come before the Board to be considered, or are they left entirely to the officers and the engineer of the company?—The reports of the Board of Trade are always read to the Board.

2056. Supposing they recommend the adoption of such a system as locking the points, or the continuous break, or anything of that sort in their report, is it left then to the decision of the engineer of the line as to whether it should be adopted or not?—The engineer of the line, the locomotive superintendent, and myself would be there, and give information at once to the board, who ask questions upon it, and the board at once decide whether they will adopt it or not. There are very few cases in which the Board of Trade have recommended us to do anything of that kind, that I am aware of.

2057. But are you aware that the Board of Trade do, in their reports, constantly recommend the adoption of those improvements to railway companies?—Yes. As far as the Great Western are concerned, the Great Western Company have always locked their points since ever I knew the line; even on the broad gauge system, all the points are locked by levers, with small disc signals fastened to them. The inventions of recent years are supposed to be improvements upon that; we have been adopting it over our system.

2058. You are adopting modern inventions?—Yes, we have been doing so for some years.

2059. You do not agree with Mr. Forbes, I think it was, who told us that he thought that locking points and signals was anything but to be recommended?—I could not go so far as that.

2060. In fact, by your adopting it on your line it is evident that you agree rather with the inspectors of the Board of Trade, who say that it is an invaluable invention?—At all our principal junctions now we have adopted the locking system.

2061. And with advantage to the working of the line, and to the safety of the public?—My feeling is in favour of locking.

2062. With regard to the appointment of some officer of the Board of Trade, or public officer, to report upon those inventions and recommend them to the companies, do you think there would be any objection to their having power to enforce them if they found that the companies constantly refused to adopt a recommendation which they thought of great value?—I think that, unless you are assuming that the gentleman who was put in that very important position was a man of almost superhuman talent, it would be too great a power to put into the hands of any one man.

2063. At the same time you would be inclined to allow that the inspectors of the Board of Trade, who see the working of all the lines of the country, and who have before them the testing of most of those inventions, are as likely, or more likely, to be fair judges of their value than the particular engineer of the line, who is perhaps wedded to his own old ideas?—There is no doubt that the Government inspectors do gain a very great deal of experience by going over all the lines; but if you put it into the hands of a Government inspector not only to recommend, but to require railway companies to do whatever he thinks is necessary, I think he would be in a position that he would be likely to recommend everything which he thought in the most remote degree would prevent accidents, and he would put the company to very great expense. As you say there are great improvements going on upon railways, and I presume he would be bound to adopt whatever came out, and whenever it did come out to enforce it upon the railways, although very shortly afterwards there might be a very great improvement, which might be permanent and very much more economical.

2064. Do you not think that there would be a great difference between the way in which you put it, that he would be bound to recommend the companies to adopt a system the moment it came out, and the view which I wish to bring before you, namely, that after an alteration in a line had been constantly recommended in the reports of the Board of Trade, reports resulting out of accidents, some power should be given to the central authority, or otherwise, to enforce upon the company, who shall at that time still refuse to adopt it, the adoption of the system?—I must say that I think it would be a power which it would be a very undesirable to put into the hands of a Government officer. I think that the power which the Board of Trade have now is very great indeed, although it is no real power. Whenever they point out that anything is necessary, that an accident has arisen from some want of proper arrangement, that very report is a great lever which other people will apply to the rail-

Mr. *J. Grierson.*

30 June 1870.

way company to require them to do what is necessary.

2065. And yet we find, as a practical result, that those reports are almost invariably neglected, because we have the inspectors constantly calling attention to the fact that it is no use that they should recommend things to the railway companies, because they are not adopted?—No doubt, the Government inspectors recommend railway companies to put the block system on portions of their lines, where a majority of railway officers believe it is unnecessary, and no doubt, in that case, their reports are not acted upon, but as a rule, I think you will find that wherever they point out anything that is reasonable or practicable, it is done; at least that is my experience.

2066. And yet in the early part of your answers you stated that you have not adopted the recommendation on a portion of your line, although you acknowledge that it might be an advantage?—But you are assuming that we do not intend to put it upon that portion.

2067. It is two years since that recommendation was made, was it not?—But we do not consider that portion of our line any more dangerous than any other; that is the reason. We have continued the block system upon other portions of our line since that, and we shall continue it very shortly down to Slough.

2068. You do not think that in questions regarding the alterations of your line, the evidence and knowledge of another man, not of so extremely partial a kind as that of the engineer of the company, would be an advantage not only to the company but to the public?—I did not say that as expressing the opinion that it would not be an advantage, and I did not say that he might not gain information by going all over the railways, which may be a very great advantage, occasionally, to the working of a railway.

2069. Then you would see no objection to the inspectors of the Board of Trade making inspections of the line, and making public their opinions, and stating it, if there was any alteration necessary?—When any case arose which required it, or made it necessary to do so.

2070. For instance, if public attention was called to it by the failing of the system, such as an accident?—That is what he would do now.

2071. His report is merely a report to the Board of Trade itself; it is not a public report?—I have very frequently seen them published in the newspapers, and I do not see any objection to their being published in the newspapers. I may say that very likely the inspecting officer of the Board of Trade does not get as full facilities now, and that there is not so much attention paid to him and to his wishes when he comes over the railway, as if he came with an Act of Parliament in his pocket, but I do not know that he could have any greater moral power than he has now.

2072. And yet there evidently is some greater power wanted, either by publicity or otherwise, in order to get his recommendations enforced?—I am bound to say that I do not quite see that; at least that does not come within my knowledge; and I believe our line is just a fair sample of all other lines.

2073. I am speaking of those reports which are made year after year, and in which continually those statements are made?—I can only say this, that whenever the Government inspector makes a report we enter it in a book, and we put against it on the other side the reports of our officers, and also we require a certificate when a recommendation of the Board of Trade officer has been carried out; in those cases where the recommendation is not carried out, I myself keep the reports of our officers, stating the reasons; and I do not think that more could be done, even if the Board of Trade officer was put in a position of greater authority.

2074. You do not think that a Board of Trade officer is in a position to give a more impartial statement of the case than an officer of the company, who is naturally disinclined, I imagine, to run his company into great expense?—I am bound to say that when it applies to a question of life and death with regard to an accident, if you held the position of general manager, and an accident arose, you would not consider for a moment the question of expense at all; the feeling of a railway officer rather is to go into expense if that will possibly avoid an accident; I am quite certain that, except first of all being satisfied that expense is necessary, as a rule the general managers of railways do not consider expense at all.

2075. I do not want to throw any slur of that sort upon the general managers, but I meant that the officers of the company were rather induced not to adopt fresh inventions, because of the expense, and to repair the old system in preference to entering into a large outlay?—I should be very sorry if that is your opinion with regard to railway officers, or the opinion of the public; I believe that the improvements on railways have all, as a rule, originated with the officers themselves; that they are most anxious to improve their line, and no one, not even the public that travel, nor the directors, have so much interest as the officers in improvements being carried out.

2076. As a great many of the public believe that the block system and one or two other systems are very valuable for the protection of the public, and those recommendations have been constantly made, and as constantly neglected, I am justified in assuming, to a certain extent, that it is the question of expense, or something which deters the officers of the company from recommending that system, when authorities equally able to judge (the officials of the Board of Trade) are so strongly in favour of it?—I do not think that I could give you a better answer than this, when I tell you that, though the block system has been in operation for many years, there is no one system yet which can be pointed out as the best system, and the system which ought to be adopted; no later than three months ago I wrote a note to Colonel Yolland, asking him if he would tell me which he considered the best block system; and the answer I received was that he was then examining some new instruments which had been sent in. That is exactly what we are doing ourselves; therefore I venture to say that at the present moment the Board of Trade officers, if they were put in the position of requiring the railway companies to adopt the block system, are scarcely in a position to say what are the instruments which ought to be used over all the railway systems of England.

2077. The absolute block system is what they recommend?—It is a very large question adopting the block system over all the railways in England, and a very costly one, and you will see that it would be very inadvisable to compel railway companies to use second-class instruments when

when first-class instruments may be obtained. As I said, experiments are being made now by an independent electrician of very great eminence for the Great Western Company, to try and find out which is the best, and we will adopt whichever is the best.

2078. Feeling that the block system does give greater security?—On certain portions of the line undoubtedly; as I said before, I am so far in favour of it, that I have recommended it over certain portions of the line, and I am quite certain that we shall lay it over still further portions of our line.

2079. Mr. *Denison.*] Are you able to tell the Committee what is the relative cost to the railway companies of first class, second class, and third class passengers, and is the extra fare paid by first class passengers more than equivalent for the extra cost of a first class carriage, and the extra space of such a class in the train, and in a general way, for the extra cost of that kind of traffic?—No, I do not think it is; you get a larger number of passengers in a third class than you do in a first, and, therefore, if you could get a full carriage of third class passengers, they are quite as profitable as the first.

2080. Therefore those who argue that a much higher rate of compensation ought to be paid to a first class passenger, by reason of the much higher fare that he pays, are not altogether warranted in the position which they take?—I do not think that they are; but as the law at present is, a third class passenger is really paying towards the large compensation given to first class passengers; because the law gives less compensation to a third class passenger than to a first class, and a very large proportion of the passengers conveyed on railways are third class, and, of course, it is out of that, therefore, that a large portion of the compensation goes to first class passengers.

2081. Have you yourself formed any idea as to the amount of compensation which railway companies might fairly accept as the maximum, supposing the Legislature were disposed to limit their liability?—We hold the views that have been expressed by Mr. Blenkinsop upon that subject, as one of the companies who discussed the question before it was submitted here.

2082. You were in the room, were you not, when Captain Tyler was giving his evidence?—Yes, I was this morning.

2083. Did you hear his latest recommendation, 3,000 *l.*, 1,500 *l.*, and 500 *l.*?—I did not quite hear his answer; I was not quite certain whether that was insured or not insured.

2084. It was uninsured, but to be administered upon a totally different system; that is to say, under the operation of a court of inquiry appointed by the Board of Trade, and doing away with the intervention of juries?—That would be a certain amount of advantage to railway companies, but certainly very inadequate, in my opinion, to what would be fair towards them, because 3,000 *l.* is a very large sum for an uninsured passenger; it would give a latitude for requiring railway companies to pay a larger proportion than what they now pay.

2085. Do you think that railway companies would rather adhere to the present system than submit to a maximum compensation of that kind?—I should not like to express myself hastily upon that point, but my feeling would rather be that we should rather remain as we are than take that. However, it would require some careful calculation upon the accidents which have occurred, and the payments which have been made, before I gave an actual decisive opinion.

2086. Mr. *Sherriff.*] I take it that your evidence goes to this extent; that even after having adopted the best system, and buying the best materials, you are very much at the mercy of the people whom you employ, whether they carry out the rules and regulations that are deliberately made; what sort of means do you take for getting the best servants; how many hours, as a rule, do you employ them; and what are the wages which you generally pay; taking those points one by one, in what way do you select your railway servants, such as the pointsmen, and so on?—The pointsmen, as a rule, are taken from men who have been some time upon the line, or very superior men who have been recommended to us. All the men undergo an examination and training, and the very closest supervision, and I believe we pay such wages as the men can scarcely get in any other sphere, as a rule, at least such a large body of men.

2087. At an important junction (take the case of any of your large junctions), Oxford or Reading, or any of those junctions, how many hours do you employ the pointsmen, as a rule?—At important junctions, where the men's time is fully employed, they are on duty eight hours; at other places, where the duty is light, they are on 12 hours, as a rule, or thereabouts.

2088. Do you hold out any inducements to them to conduct themselves properly by any system of bonuses or allowances for good behaviour in addition to their wages?—We do to a certain class of men; the pointsmen are a very important class of men, and I would say with regard to pointsmen and drivers, probably there is no body of men to be found in England to surpass them; they are a most intelligent, steady class of men. To the drivers and pointsmen we do give a bonus; we give a bonus of 10 *l.* to each driver, and about 5 *l.* to each pointsman, who conduct their duty satisfactorily for 12 months, without complaint against them; we also give a bonus of 2 *l.* to the man in charge of the permanent way, the ganger as we call him, who has charge of two or three men, if there is no complaint against him.

2089. That is your mode of carrying out the discipline of the line, and ensuring yourselves and the public against accidents?—That is an inducement to the men to conduct their duty satisfactorily; but after all, whatever system you adopt, whatever locking gear, or whatever telegraphs you place upon your line, you are to a very large extent in the hands of the men; in fact, the great bulk of the accidents arise from the men neglecting to perform some particular duty.

2090. In the case of an inspector of the Board of Trade recommending an alteration such as was suggested by the honourable Baronet, and an accident occurring from the same cause, I apprehend that in consequence of your not following out the recommendations of the Board of Trade you would be put to great disadvantage with both judge and jury?—I consider that it would put us at a most serious disadvantage in the event of any other accident occurring where that recommendation had been neglected, unless very good reasons could be shown why it was not done as yet, and even the officers would be in a very serious position.

Mr. *J. Grierson.*

30 June 1870.

2091. When you do not follow out the recommendation of the inspector of the Board of Trade, you know that you are placing yourselves at a great disadvantage in any case of any future accident, and you do not place yourselves in that position without having the very best reasons, in your opinion, justifying your pursuing a contrary course to that recommended?—Quite so; we never pass over a recommendation of the Board of Trade without a written report from the officers interested, which written report is preserved and may be referred to afterwards in case the question is raised again; and, as I before stated, whenever any recommendation of the Board of Trade officer is not carried out, those reports, along with the Government inspectors report, are laid before the board and a minute passed upon the subject; so that I consider the Board of Trade officers now have, practically, all the power that could be given to them, except the absolute power of saying that whatever they think is best ought to be done and must be done.

2092. Mr. *H. Palmer.*] Did you not say that it would be impossible, in your view, to have an express enactment applicable to all companies to use the block system at once?—I did not say that, or at least I did not intend to say that.

2093. You think that there might be an enactment compulsory upon all railway companies to adopt the block system?—Of course, as to that, if Parliament passed an order that the block system is to be adopted on all railways in England, of course it must be adopted, the same as we have used the cord communication.

2094. It would be perfectly practicable, I suppose, if such a law were existing?—We should be bound to carry it out, and would carry it out; but we consider that there would be disadvantages in doing it, and we think it unnecessary on many portions of the line. I do not mean to convey that, if there was such an order, it could not be done, because I do not believe in anything being impracticable.

2095. You have alluded to the communication between passenger and guard; what sort of signal do you use under the Act of 1868 on your line; is it the cord system?—The cord system.

2096. And do you find that answer?—Yes; it has only been necessary to use it four times by passengers, and they have so used it. On three occasions it was quite unnecessary to have stopped the train, and on the fourth it might have been necessary, but whether it was so or not I cannot tell.

2097. Do you think it a proper precaution to have?—Quite proper, if it is practicable; however, it has worked so far satisfactorily on our line.

2098. With regard to the tribunal, you were asked about the county courts. Do you mean that the county court judge alone, without a jury, should decide those cases?—They should be decided before a county court judge, without a jury. There is not the slightest doubt about it, that the feelings of a jury are led away as against railway companies, otherwise we should never have had the excessive damages to which we have been subject; in fact, frequently we have had cases in which the jury have actually given a sum merely to carry costs, because in many cases which I could have shown the Committee, they have awarded a very small sum, whereas, if they had believed the evidence of the plaintiffs, they would have been entitled to a very large sum under the present state of the law.

2099. Then you would treat the county court judge as a sort of arbitrator?—Yes; I should prefer that, or one of the judges of the superior courts, to a jury decidedly.

2100. Accidents frequently happen at stations, do they not, by passengers getting out and falling between the carriage and the platform?—They occasionally do; not frequently on country lines, I think.

2101. There was one the other day, was there not, in which a lady got 600*l.* from the South Western Railway Company only this last week, from having fallen between the platform and the step of the carriage?—Yes; those accidents occasionally occur.

2102. Would not it be possible to compel all railways to make the platform level with the carriage?—It would, no doubt, be possible to do it; but there is this disadvantage in it, that where passengers have to cross from one platform to another, the higher the platform of course the greater the descent; say, that I have to get across the line upon the Great Western Railway, our standard height is about 2 feet 9, which just gives one step up into the carriage from the platform.

2103. Then there is a space, is there not, between the platform and the carriage as well?—There is a space; but there would not always be a space, because you have a step in front of the carriage door, and you have no step except a lower step beyond.

2104. But it is much safer if the platforms are on a level with the door of the carriage, is it not?—To a certain extent, no doubt, it would be more convenient to step out on the level with the floor of the compartment; but I must tell you that there is a very great diversity of opinion upon that point; it was discussed, I believe, last year at a meeting of the Institution of Civil Engineers, and there was a very great difference of opinion as to which was the best; I think the Great Northern and one or two companies, and ourselves, have 2 feet 9; I do not remember what the London and North Western have, but I know that there were quite different views that were then expressed upon the subject; I do not know of any on a level with the compartment.

2105. Is not the platform on the Metropolitan on a level with the compartment?—I am not aware.

2106. What should you say to a tribunal of this sort, a Board of Trade inspector with a medical and legal assessor, being a court of inquiry into railway accidents?—As I said before, that would be a very great improvement upon the present tribunal.

2107. That would be quite as good a tribunal, would it not as a county court judge sitting alone?—I daresay it would; upon that point I am not, of course, so able to express an opinion as Mr. Blenkinsop, who is a professional man, but as far as I see that would make a very good tribunal.

2108. And that tribunal ought to be a public investigation, ought it not?—That we could not have the slightest objection to, however public.

2109. Are the stock of carriages and trucks belonging to other companies investigated with the same care as your own, when they are brought on to your line?—To a certain extent they are.

and

and to a certain extent they are not; that is a very difficult question, and it is one which is really at the present time under the consideration of a committee of general managers and the clearing house; in fact, legal questions have been raised as to our powers, and it has been referred to five or six solicitors of the largest companies; I myself, some years ago, moved at the clearing house to appoint a committee for the purpose, and we were met at once by this fact, that although we had certain power to require persons putting trucks upon the line to construct them with the best material, and in fact in the same way as we construct our own trucks, this awkward question arose, whether we had power to do that in respect of all new trucks, unless every truck that is now running is also altered; that, of course, is so utterly impossible, so that we have got into a dead lock upon the subject; but it is so very important a question that it is in hand now.

2110. It is desirable, is it not, that they should be subjected to as rigid an investigation as your own?—No doubt. In fact, not only is it desirable, but it is absolutely necessary; I go so far as to say that. But you must remember that we are dealing with a very large amount of property of a very powerful body, the colliery proprietors, and other parties who own the waggons, and they look very jealously indeed upon every regulation which we make. Upon the Great Western line, when we were a broad gauge system only, we had a very rigid system which we could carry out; but when we became partially narrow gauge, and endeavoured to put those regulations in force, we found that parties would not build their waggons upon our line, they would build them somewhere else, and then they got the label put on of that company on which they were built, and they loaded them to our line; so that we were in this position, that we must stop the traffic of the country, in which case there would be a great outcry, or we must take the waggons, although they did not conform to our own specification.

2111. It would aid you materially, would it not, if there were a law that could be enforced in that respect?—It would, no doubt. If the present state of the law is not sufficiently clear to enable the companies to require it, the law ought most certainly to be altered, to enable them to do so. There have been for many years a bad description of accidents, like that which has arisen lately upon the Great Northern line; it is a description of accident which does frequently arise, although fortunately not under such circumstances.

2112. That would be a very good enactment to be made, would it not?—Yes; if Parliament would give the companies power to do so, it would be a great advantage.

2113. The accident on the Great Northern Railway was caused, was it not, by a waggon not belonging to the Great Northern Company?—It did not in that case belong to the Great Northern.

2114. Did it belong to another railway company?—Yes; I do not mean to say that under the most rigid examination you could have prevented that accident occurring. I am only following up your own question, because there is much less risk with railway waggons than with private waggons.

2115. What sort of test is applied to the axletrees and wheels besides the tapping of the wheels?—If there is anything apparently out of order, the men get under them and examine them closely (they cannot do more while they are in transit), and if there is anything the matter with them, they simply mark them off, which is an occurrence going on every hour of the day, or, I may say, every quarter of an hour; in fact, waggons, whether loaded or unloaded, are simply marked off, and not allowed to run any further.

2116. Would it be possible to define any length of time after which a carriage or truck should not be used, by reason of its becoming impaired in strength?—I am scarcely so competent to answer that question as an engineer would be; but I may say this, that in former years we used to keep a record of the number of miles that every waggon travelled on the Great Western Railway, and of every carriage also; and, as far as I can ascertain, it did not afford any reliable basis for saying how long an axle or a tyre would run.

2117. Whether it was length of time or length of distance?—No, not as far as I could ascertain; because, in the course of the inquiries that we have been making during the last two or three years, I have gone into that matter very carefully, and I cannot find that I could place any reliance upon it.

2118. The Board of Trade never send down an inspector, I believe, unless an accident happens?—No, or upon a representation from the public upon any particular question.

2119. What sort of representation from the public?—For instance, if you are living at any station upon a railway, and you send up to the Board of Trade a communication upon any particular point, they will either send it to the railway company and require them to answer it, or they will send down an officer to inquire into the matter, which is not at all an unfrequent occurrence.

2120. Would it be a practicable thing to have periodical investigations by an inspector, without being put in motion by an accident or by the application of any local resident?—I do not think it would be practicable to carry it out with any advantage; take the case of the Great Western Railway: supposing a Government inspector had to undertake to pass over 1,400 miles of railway, it would take him an enormous length of time to do it. If he had to go to every station and examine the permanent way and examine all the stock, I think he would have to be permanently employed. I know that when we go over the line, which we do by special trains, to examine the state of the stations and the line, and so on, it takes us a very great deal of time; we do not require to go over the whole line of railway because, to a very large extent, we depend upon the railway engineer officers, and so on; but if a Government inspector was going over it for any practical purpose, he would have to go into everything most minutely, and that would take a very long time indeed; he would almost have to be, practically, located upon the line and doing nothing else.

2121. That is a question of the number of inspectors that would be employed?—Yes, quite so; you would have to allocate a certain portion of the country to an inspector doing nothing else; otherwise I am afraid there would be no practical advantage in it.

2122. Would there be any disadvantage if the Board of Trade had power to make orders which should be enforced after having been laid before Parliament for a certain time during the Session?—If

Mr. *J. Grierson.*

30 June 1870.

—If we had an opportunity of being heard against these orders, and giving our reasons why they should not be carried out, and Parliament was then satisfied that they should be carried out, of course there could not be a word said against it.

2123. The railway interest is pretty extensively represented in Parliament, is it not?—As far as the number of gentlemen who are either directors or shareholders in railways is concerned, it is so; but it is astonishing how frequently we find, when we ask them to do something for us, that they will not do it; they think of their constituents, and not of the railway companies.

2124. Still, there would be that check upon the enforcement of such rules?—I should rely upon Members of Parliament without that.

2125. Mr. *Sherriff.*] Can you give the Committee any idea of the number of traders' waggons which are now running on the railways throughout the kingdom?—I could not give you that off-hand.

2126. Is it possible for you to provide the Committee with a return of the number of companies' waggons owned by the railway companies?—We did make a return between two and three years ago, showing the estimated number of waggons belonging to the railway companies throughout the country; and we have also an estimate of the number of private waggons; I could give you that return.

2127. Could you give us, at as recent a date as you possibly can, the number of each?—I could give you that return, and I should add to that a certain per-centage for increase, which would be as near as you could come to it without going into it very carefully.

Mr. *C. W. Eborall.*

Mr. Cornelius Willes Eborall, called in; and Examined.

2128. *Chairman.*] What opportunities have you of becoming acquainted with the subject which is being inquired into by this Committee?—I have had a great deal of experience; I have been General Manager of the South Eastern Railway for 15 years, and I have been connected with railways for 30 years, and during my time of management on the South Eastern we have unfortunately had some serious accidents. There was one, as you will recollect, the Staplehurst accident, which cost the South Eastern Railway Company upwards of 70,000*l.* There were several very large demands made upon the company for compensation. I think Mr. Baron Martin referred to one in his evidence the other day, a claim made at Liverpool by the representatives of a gentleman who had been residing at Bolton, and the claim amounted to something like 50,000*l.*; he was a veterinary surgeon, and he also had some interest in a mill; and the jury assessed the damages at 7,400*l.* or 7,500*l.* We considered it a very heavy verdict, but we did not apply for a new trial, for we thought it was useless, at the time; but we consider that the company was very unjustly used; Mr. —— was killed, and his wife was slightly injured. There were other cases, and I think the average of the compensation paid in that accident, taking the number of persons killed and injured, was 1,000*l.* for each person; of course some claims were very small, and others were very large.

2129. What was the cause of the accident?—The platelayers had a rail up on a bridge, and a train ran into the cavity; it was negligence on the part of a platelayer, and the man who caused the accident was prosecuted, and imprisoned for 12 months if I remember rightly.

2130. What is your opinion with regard to the state of the law upon the subject?—I think that it is most unjust to the railway companies. In 1865 there was a Royal Commission appointed to inquire into the management of railways, and before that Commission I gave some evidence upon the question. I asked whether it was admissible, and I was told by the Chairman that it was, and I believe myself that I was the only person who gave evidence upon the question before that Commission, and the Commission made some recommendations on the subject. I think the law is very unjust to railway companies; that many cases are fraudulent; and that juries are unduly influenced in favour of the public and against the railway companies, and very unfair verdicts are given.

2131. Wherein do you think the injustice consists, in the theory of the law, or in the mode of its administration?—I think in both cases; Lord Campbell's Act was an Act passed years ago, when railway traffic was very different to what it is now; we now carry at much cheaper fares; we carry a very much larger number of passengers than ever was anticipated, and we run at very much higher speeds, and, no doubt, run greater risks.

2132. Do you think that under those circumstances there ought to be a change in the law?—Yes, I do.

2133. What should be the nature of the changes in the law that you would suggest?—I consider myself that the tribunal wants altering, and that juries are not the proper parties to assess the damages; I think the tribunal should be a judge or judges, persons who make themselves fully acquainted with all the peculiarities of railway working, and would be able to understand everything connected with railway management; I should think that it should be one or two judges, who would become in a manner experts.

2134. Supposing a man with 1,000*l.* a year, a professional income which died with him, is killed, on what principle would you assess the damages?—I think that a system of insurance should be adopted.

2135. But without insurance, supposing he was killed or was not killed, on what principle would you assess the damages?—Unless he insures, I think there should be a limitation of the liability.

2136. What would be the limitation which you would propose?—I think it might be the limitation proposed by the railway association, which I think was 500*l.* for a first class passenger, 300*l.* for a second, and 200*l.* for a third.

2137. Would you recommend that the company should be bound to insure a man if he wished to secure a larger sum than this?—Yes, exactly.

2138. Would you make any alteration in the tribunal?—Yes, I think that very important. I do not see myself why some arrangement of this sort should not be made: That the Board of

of Trade inquiry into railway accidents should be made in a more formal manner, that witnesses should give their evidence on oath, and that even the same parties who inquired into the accident, and the cause of it, should be the parties to go into the question of damages.

2139. Have you the block system in use on your line?—Yes.

2140. Is it universal throughout the whole of your line?—Yes, we have had it in operation for upwards of 20 years; in fact, a few years after the opening of the South Eastern Railway, the South Eastern Company adopted the telegraphic system on their line, and they made use of it for the purpose of working their railway, and from that time they adopted the block system all over their railway.

2141. What is your experience of the working of it?—I think that on crowded lines it is indispensable.

2142. What do you say where lines are not crowded?—I do not think it is absolutely necessary, although I think it desirable.

2143. Do you think it is good in all cases?—Yes, I think it is good in all cases.

2144. Would you go so far as to recommend that it should be made compulsory?—No, I should think that that would be a very unwise step indeed.

2145. Are you in favour of having any superior power to control railways, either with respect to the block system, or any other mode of management?—I think that the best thing is to leave the railway companies entirely to themselves. Let them be responsible for all accidents. I am quite sure that they are alive sufficiently to their own interests to adopt every possible precaution in the management of their railways to provide for the safety of the public.

2146. Is there anything else that you would wish to suggest to the Committee?—I only want to show the Committee the importance of my last remark, and to show that the companies are sufficiently punished by the large sums that they have to pay for compensation. In our case, in six years, we have had to pay 137,000 *l.*, which amounts to about 3 per cent. upon the net earnings of the railway, and the average amount of compensation for personal injuries paid for those years, 1864 to 1869, is 22,000 *l.* a year.

2147. What difference would that 22,000 *l.* a year have made in your dividends?—About one-fifth of a £. per cent.

2148. That would make about a difference of 4 *s.* upon every 100 *l.* upon the ordinary stock?—Yes.

2149. Mr. *Sclater-Booth.*] You say 3 per cent. upon the net earnings, but the net earnings are a much larger sum than the payment of the ordinary shareholders, because the debenture and preference stock has to be paid first, and the ordinary shareholders bear the whole loss, do they not?—The ordinary shareholders bear the whole loss, and that reduces their dividend by about one-fifth of a £. per cent.

2150. You have originally stated that the sum paid in compensation was 3 per cent. upon the net earnings of the company?—Yes, and I think you will find that per-centage is correct.

2151. Sir *H. Selwin-Ibbetson.*] You said that 22,000 *l.* a year has been paid in compensation; over what period does that extend?—For 1865, 1866, 1867, 1868, 1869, and 1870.

2152. That is a very strong inducement to the company to conduct their line properly, is it not?—That is what I urge strongly, that it is so.

2153. In proposing to do away with unlimited compensation, and therefore to bring it down to a limited amount and reduce this sum very considerably, do you not conceive that the public are entitled to some equivalent in the way either of additional inspection or additional security for the proper working of the line?—But I think that this is a sufficient inducement to the companies to manage their line properly, and to avoid if possible heavy claims for compensation.

2154. Then assuming it to be the case, as has been often stated, that this large amount of compensation is one of the only efficient securities the public has, if it is proposed now to do away with the security that the public possess, and to limit the amount to some smaller sum, are not the public entitled to something to take the place of this security which they are giving up, some greater direction or greater power over the management of the lines?—I do not think that that is so; they still will be liable to compensation to a large amount.

2155. You admitted, I think, just now, that this heavy compensation was a security to the public, in obliging managers for their own sakes to work their lines properly?—Yes.

2156. That being done away with, are not the public entitled to ask for some equivalent in the way of security?—No, I do not think so; the security still remains; it does not remain, perhaps, to the same extent, but it remains still.

2157. But it remains in a very limited form?—Not in a very limited form.

2158. I think you stated that the block system had worked on your line with very good effect?—Very satisfactorily.

2159. And you yourself do not see why it should not be adopted on other lines?—My own opinion is that other lines will adopt it, and recently in many cases, I think, they have been adopting it largely.

2160. Do not you conceive that that which you think on your own line has produced additional safety to the public might very fairly be enforced upon other lines?—I think other lines will adopt the system without being forced, for their own security.

2161. And you think that the public should be subject to the dangers, if they are dangers, which arise from not adopting the block system on other lines (acknowledging yourself that it is a valuable addition), until such time as the companies awake to the fact that it is a good system?—There are various opinions about the block system; I am an advocate for it, and I myself believe that railway companies, under any circumstances, will gradually adopt it, especially where the lines are crowded with traffic; I do not think it is at all necessary to make it compulsory; railway companies, as I stated before, are quite sufficiently alive to their own interests to adopt anything that will save life or limb in carrying on their business.

2162. How can you reconcile the fact that you, seeing and acknowledging its advantages, have now for a period of 20 years worked your line on it, with the fact that at this moment the general complaint of the inspectors of the Board of Trade, is that other lines in the country, as a whole (not speaking of individuals), do not adopt this system, and do not attend to the constant recommendations in favour of this system?—

Mr. *C. W. Eborall.*

30 June 1870.

But I think you will find that other lines are adopting it; the Midland, the London and North Western, the Great Northern, and the Great Western.

2163. They are adopting it very partially on their lines, and they have stated in evidence that in many parts of those lines they are not prepared to adopt it?—There are some portions of their line where it is not absolutely necessary, and I think it would be very wrong to compel them to put it down if they think so; we have placed it over our railway, but there are parts of our line where I think it might be dispensed with.

2164. At the same time, I understood you to say just now, that although it was not so necessary for the public safety on the parts of a line where the traffic was not so crowded, still you thought it an advantage?—Yes; I think there is an advantage in it.

2165. Do you see any reason why that which is not only a valuable assistance on the parts of your line where the traffic is very constant and frequent, but is an advantage on the parts of your line where it is not so frequent, should not, conducing as it does to the public safety, be adopted on lines generally throughout the country?—For my own part I see no necessity to make it compulsory to adopt it on every part of a long railway; we have done it, not so much that we consider it absolutely necessary on our branches, but we have adopted it as a system; but I am not quite sure whether it is absolutely necessary for the public safety on every portion of our line.

2166. There would be a great advantage, I imagine, in adopting a system of this sort universally, inasmuch as the servants of a company would, when changed from place to place, be always accustomed to working the system?—Yes; but then the question is what system would it be; the question is what system would you adopt; there are various modes of carrying on the block system, and if the Board of Trade took upon themselves to settle the exact mode of operation, I think they would have a difficulty in doing it.

2167. Do you adopt various systems on your line, or only one?—We have one now. We had at one time two; we had Tyer's system, which we gave up, and now we adopt only the system of our own electrical engineer; but there are several systems. The Board of Trade, you will recollect, have not instructed railways as to the mode of communication between passengers and guards, although there is an enactment that it shall be carried out. We have the electrical system on our line, and other companies have the rope system; but the Board of Trade, I think, would have some difficulty in determining as to which system should be adopted. You might just as well ask the Board of Trade to settle what sort of tyres we should use, what sort of axles and what sort of carriages; in fact, to go into the whole management of the detail of railways.

2168. Notwithstanding all those objections, you adhere to your opinion that the block system is really a safeguard to the public, and an advantage to the safe working of a railway?—I do.

2169. Referring to a question of the Right honourable Chairman with regard to the judges being the authority to try cases of compensation for accident, do you see any objection to an authority constituted from the Board of Trade, an authority composed, for instance, of an inspector of the Board of Trade, with a medical and a legal assessor, who should first inspect, and make a report, which should be public, on the accident itself, and should afterwards be the court before whom all claims for compensation should be tried?—No; I see no objection to that.

2170. Do you not think that that perhaps would be even preferable to the county court judges throughout the country as a tribunal?—I think so.

2171. I suppose, as a railway manager, you would allow that that would be far preferable to the present system?—Yes, no doubt.

2172. It would do away, would it not, in a great measure, with conflicting medical and other evidence which at present increases the expense of those trials?—No doubt it is most desirable. I was looking at a case the other day, with reference to the expense, where a woman was hurt on our line, and the compensation she had paid to her was 280 *l.*; and, looking at the costs, with the medical evidence, they were 180 *l.*

2173. Supposing a limitation of compensation to be adopted, the question of amount, 500 *l.*, 300 *l.*, and 100 *l.*, is only a suggestion that has been put forward, it is not a question which the railway companies have decided?—No; we have generally discussed it, but that is the idea that has been put forth.

2174. Are you aware that we have had another statement to-day, from an officer of the Board of Trade, fixing the amount which he thought ought to form an absolute obligation in case of death, at a very much higher figure?—I was not aware of it.

2175. Mr. *Davison.*] I think you said something about the amount of compensation coming up to three per cent. upon your net dividends; did you mean that?—Three per cent. upon the net earnings.

2176. What was the 4 *s.*?—The 4 *s.* was 1-5th of a £. per cent. upon the dividend upon our ordinary stock.

2177. Three per cent. is taking your mortgages and everything?—Yes, three per cent. upon the whole of our net earnings; it is 1-5th of a £. per cent. upon the dividend upon the ordinary stock. I will hand in a Table which shows that result. (*Delivers in the same.*)

2178. Mr. *Sherriff.*] It has been stated to the Committee in evidence, I think, by the representatives of the London and North Western, the Midland, and other companies, that the amount which you have paid is about the average of the compensation upon their lines, and they do not adopt, as I understand you, the block system, whereas you adopt the block system throughout your line?—We do.

2179. Do you lock your points as well?—Yes, we do.

2180. And yet it would appear that you pay as much compensation as the companies who adopt a different course?—It appears to be so.

2181. So that in reality the block system and the locking of points does not in any very material degree alter the per-centage of accidents which happen on railways?—If that be so; I do not know what the per-centage of other railways is.

2182. The great accident which you spoke of arose really from a rail being up, and which the block system did not, and could not, prevent?—The block system could not prevent an accident of

of that sort; it had no reference to the block system.

2183. You agree that the block system is a very desirable thing, and ought, upon all the busy parts of lines to be adopted?—I am quite sure that it ought to be adopted, and I believe it will be adopted without compulsion.

2184. Sir *H. Selwin-Ibbetson.*] Is not your traffic principally passenger traffic?—Principally passenger traffic; we carry about 20,000,000 of passengers a year.

2185. You have no mineral traffic, I believe?—Very little indeed.

2186. Mr. *Winn.*] Your mineral traffic bears a very much smaller proportion, does it not, to your general traffic than is the case on most lines?—Yes, perhaps less than any other, except the Metropolitan or the North London.

2187. Therefore you probably would have many more accidents to passengers in proportion than other companies have?—No doubt.

2188. Mr. *Sherriff.*] Does not the fact of traffic being mixed up, passengers, minerals, and goods, add very materially to the danger of conducting a passenger traffic?—No doubt.

2189. So that in reality your freedom from traffic of a mineral character, allowing your attention to be fixed upon the passenger traffic alone, or nearly so, ought to be a means of security, and not of danger?—Except that you must set against that the large number of trains which we have to run, and the short intervals between those trains.

2190. But if those trains were mixed up, goods, passengers and minerals, the danger to the passenger trains would be increased, would it not?—Yes, no doubt.

2191. Sir *H. Selwin-Ibbetson.*] At the same time your heavy losses, as would appear from your Table, really arise from your carrying a very much larger number of passengers, and therefore more accidents on which payments for damages arise happening?—Yes; I find on taking out the number of accidents in the six years referred to there are only 15, and that in those six years two accidents contributed towards the 137,000 *l.*, about 110,000 *l.* of the whole amount; those were the accidents in the Blackheath tunnel, where the block system was in operation, and the Staplehurst accident; in 1866 and 1867, the compensation paid was 106,000 *l.* in two years; that is 106,000 *l.* out of 137,000 *l.* during six years.

2192. Mr. *H. Palmer.*] The Staplehurst accident happened to a tidal train, did it not?—Yes.

2193. Had you ever any other accident occur to a tidal train?—Never, before or since.

2194. That train travels at great speed, does it not?—Yes, very high speed.

2195. And the precautions taken for the tidal trains are, of course, under the block system?—Yes.

2196. Have you got passenger signals on your trains by the electric system or the rope system?—The electric system.

2197. Do you find that answer?—I do not think it is of any use whatever to anybody. We have had a great number of cases arising from curiosity; we have a peg that has to be pulled down to enable the communication to be made; and to show you what use is made of that, a train was pulled up, one of the mail trains, a week or two ago, and the excuse of the passenger who did it was, that he thought it was a hatpeg.

2198. Then, according to that, the rope system is the best?—My own opinion is that the rope is not the slightest use at all, even for a hatpeg.

2199. Then you think that a passenger signal is a very useless thing?—I think so.

2200. But the Legislature seem to enforce it?—Yes, and I think if they compel companies to adopt the block system, or some block system which they do not define, they will make another mistake.

2201. Mr. *Sherriff.*] You think that was a mistake with regard to the passenger signals?—I think it no use.

2202. Mr. *H. Palmer.*] It is no harm?—No, it is no harm, except that we have had trains pulled up frequently from no proper cause. One passenger was taken by a train that did not stop at the station that he intended to stop at, and he thought he would be too late for dinner, and the train was pulled up by him at his station.

2203. Sir *H. Selwin-Ibbetson.*] Have you no penalty which you can enforce?—Yes; but we adopted the system before the penalty was put in operation.

2204. Mr. *Winn.*] Have you never had a train pulled up for a good cause?—No; not for any proper cause.

2205. Sir *H. Selwin-Ibbetson.*] Since the penalties have been in operation have you had many of those cases?—Yes.

2206. Have you enforced the penalty?—Yes; we have in one case. In some instances passengers have stated that they were ill, and wanted to stop at the next station, or some excuse of that sort; and we found it rather objectionable than otherwise to enforce the penalty.

Monday, 4th July 1870.

MEMBERS PRESENT:

Mr. Dalglish.	Mr. Charles Reed.
Mr. Davison.	Mr. Sclater-Booth.
Mr. Denison.	Sir Henry Selwin-Ibbetson.
Mr. Headlam.	Mr. Sherriff.
Mr. Mowbray.	Mr. Rowland Winn.

THE RIGHT HONOURABLE T. E. HEADLAM, IN THE CHAIR.

Sir JAMES SHAW WILLES, called in; and Examined.

Sir *J. S. Willes.* 4 July 1870.

2207. *Chairman.*] How many years have you been on the Bench?—Fifteen years and a day.

2208. During that time you have had considerable experience of the law concerning compensation paid by railway companies for accidents?—Yes.

2209. We have been told that there is some difference in the theory of the law, though not much in the practice, between the case of a railway company injuring passengers, with whom something in the nature of a contract has taken place, and the case of persons being injured with whom nothing in the nature of a contract has taken place; as for instance a man driving a cart across the line; is it the case that there is not much practical difference between the two cases?—There is very considerable difference as to the circumstances; the cases present very different sorts of questions for the jury, and even in each class of cases the facts differ very much; I am not aware of any legal difference between one and the other.

2210. In the case of injury done to a man with whom there is no contract, does not it rest upon the general law of master and servant?—It rests upon the general law of master and servant; but I take it with respect to people who travel on the line and pay fares, the contract by the company with them as passengers is only that the company through their servants will use ordinary and reasonable care and skill, according to the circumstances. The question is rather one of legal theory; I think, practically, one may say that a person who is guilty of negligence through his servants is answerable, provided that that negligence amounts to want of reasonable care, the want of care that a prudent and skilful man would take under the circumstances.

2211. Supposing an action was brought against a private individual in respect of an accident of this description, that his coachman had driven over a person in the street, and that he proved before a judge and a jury that he had not only exercised ordinary care, but had taken very special and particular care, to get the most careful coachman in London, and had given that coachman every direction to drive as carefully as possible, so that it was no fault on his part individually; would that exonerate him in any way?—No; the question would be whether his servant whom he had put into his place to do the act of driving had been guilty of negligence, that is to say, a want of ordinary care and skill.

2212. So that in reality it really comes to this, that though he is a perfectly innocent man, and has exercised extraordinary care to prevent the accident, still he is ultimately liable?—If his servant has been guilty of negligence.

2213. A small tradesman who has a cart, which is driven by his servant about the streets, is liable to any extent for an accident that may be committed by the negligence of his servant?—He is liable for an accident that may be committed by the negligence of his servant, or in that case one would say want of skill, because the rule that a man is not to take upon himself at the risk of others to do a thing requiring skill unless he has reasonable skill to do it, would apply; that is a case in which not only care has to be exercised, but the exercise of that care involves not taking upon one's self to do the thing unless one has reasonable skill to do it.

2214. Do you think there is any hardship in that state of the law?—No doubt; as there is hardship in very serious results coming upon a man by reason of some small folly or vice; but it is a hardship that is necessary for the public protection; it certainly always has been considered so, and therefore, I believe in every system of law, as a general rule, the master is answerable for the neglect of his servant.

2215. We are told there are refined distinctions to this effect: that, supposing a man has a gamekeeper and a coachman, he is liable if the gamekeeper shoots anybody by carelessness, and, on the other hand, he is liable if his coachman runs over anybody by carelessness; but if the coachman says to the gamekeeper, "You shall exercise the horses this morning, and I will go out shooting, and if, after making that arrangement, the gamekeeper runs over somebody, or the coachman shoots somebody, the master is not liable; is that the state of the law?—I think that would be so; that is an entire departure from the order of the master; he has not employed the gamekeeper to drive, nor the coachman to shoot: the rule is, that a person with a delegated authority cannot delegate that authority; when I say the rule, I must be understood to mean with exceptions and limitations, because there is hardly any rule that you can lay down in law which is as certain as that two and two make four. Under peculiar circumstances exceptions are allowed, and by legislation there are limitations of liability, but the general rule is what I have mentioned—a man is liable for the conduct of his servant in doing the thing he has employed him to do, not otherwise; and I might add, that if the coachman were to get into his master's carriage and drive off at night to see his sweetheart

sweetheart, something entirely out of the scope of his employment, the master would not be answerable for any accident which he might cause on the way.

2216. With respect to the general law of master and servant, do you think there are sufficient reasons for making any alteration in it?—As to the general rule, I see no reason for making any alteration; and I do not think that can be the bent of mind of an English lawyer only, because I have observed that the civil law was so, and that the countries which have adopted in great part the principles of the civil law on the Continent, by their writers lay down the same rule; and in the United States of America, where naturally old rules of law are discussed with greater freedom than they generally are by Europeans, the rule is preserved, and in some respects the rule is more stringent in America as to liability than it is here.

2217. Till recently, I think, the severity of that law, assuming it to be severe, was modified by the doctrine that no action could be brought after death for injury which had occurred during life?—Yes; that was so in this country up to Lord Campbell's Act, which I think was the 9th and 10th of the Queen.

2218. What do you say as to the policy of that Act?—That admits of a good deal of remark. I would illustrate it in this way. There are persons who suffer by a death, as I may say, sentimentally; there are others who suffer by a death pecuniarily. Neither class of sufferers had any remedy before Lord Campbell's Act. I will give an instance of a pecuniary sufferer. I will take the case of an insurance office. I recollect arguing such a case in the Court of Queen's Bench. A man, insured in an office for 1,000 *l.*, is killed by negligence, even by design, he is murdered or killed by negligence; he is killed under circumstances in which the person who kills him is guilty of greater or less fault. The insurance office has to pay 1,000 *l.*, but the insurance office has no action against the person who caused the death. That is the case still, notwithstanding Lord Campbell's Act; the liability to make good pecuniary damage to insurers, creditors, or others, not relations, by reason of the wrongful killing of another did not exist before Lord Campbell's Act, and does not exist now. With respect to persons who have a sentimental claim, coupled, of course, with pecuniary claims of a moral character upon the person who is killed, the law seems to me to stand in a very anomalous position. The laws of some countries allow what is called *solatium*; allow of some amount being given in respect of the hurt to the feelings of the survivor. Our law does not. Our law gives damages in respect, not of *solatium* for the death, but in respect of the pecuniary damage which they can prove that they will probably sustain by reason of the death; and it only gives those damages to persons related within certain narrow limits. If a man were to die who had no wife, no father or mother (including step-parents), grandfather, grandmother, daughter, son (including step-children), granddaughter, or grandson, and the same in the case of a wife who died without those relations and without any husband, he, taking the case of the man, might have very near relations depending on him whom he might have a moral obligation to support; he might have unmarried sisters and such like; and those unmarried sisters, to take them as an instance, would have no remedy whatever, notwithstanding that they could show that he had supported them, and would be sure to have done so, and was in a position to do so, if he had survived. I speak here with reserve, because I have not looked into the late Act, 27 & 28 Vict. c. 95, to see whether it extended the sphere of relationship within which damages can be recovered. I believe the late Act only affected the form of remedy. Certainly Lord Campbell's Act, the 9th and 10th of the Queen, was limited to the degrees of relationship to which I have referred, and so far as my observation has gone, I am not aware of any change in the law since. To begin with, that is a very singular distinction. Thus, in the next place, a man who kills another goes free altogether, unless the man who is killed happens to have a relation or relations within that sphere. Then, again, a man dies, leaving such relations, but if he has not been in the habit of making an allowance to them, or providing for them in any way, they cannot recover anything to speak of. Again, to put an instance (and an instance, perhaps, is the best way of showing how the law operates); I put this instance as a balance to that of the insurance office case which I put just now. Take the case of the action brought against the Great Northern Railway Company some time ago, to which I have no doubt the Committee has been referred, the case of Mr. Pym. Mr. Pym was a gentleman who left, I think, a widow and a large family, many of whom were under age and unprovided for, and he left, if I mistake not, freehold property which, according to the distinction at present existing in our law, would, without a will, go to the eldest son, leaving the younger children unprovided for. That was a case in which very large damages were recovered against the Great Northern Railway Company, and I think they finally stood, I am speaking not from book, at about 10,000 *l.* The younger children had, if I recollect rightly, 1,000 *l.* a piece, and the widow had so much. That case will illustrate what I am saying. Suppose that that gentleman had made his will, and had provided for his wife and his younger children all that they were likely to get from him in the way of pecuniary benefit if he had survived, they would have been in an equally good position, except that they would have lost a father and a husband, a loss which our law does not pretend to compensate, even under the Act, because, as I have mentioned, no *solatium* is allowed. If he had so made his will, they would, in fact, not have suffered any money damage at all. Looking at the thing as a practical question (I speak now as a man of the world, and not as a lawyer, except that a knowledge of the law enables one to see the working of these things), if that gentleman had been a poor man the damages would have been hundreds or tens. If he had not had a small family the damages would have been but trifling. If he had had the wisdom to provide for them by making a will, there would have been small damages only, because only pecuniary damages for what they are deprived of are allowed, and he would have provided for them, in a prudent way, that which the jury provided for them by their verdict. So that in a mere case of breach of contract you arrive at the liability on the part of the company, in respect of the important circumstance of amount, in consequence of a series of remote accidents.

Sir *J. S. Willes.*

4 July 1870.

dents. Now, in respect of the liability of anybody who kills another, but especially the liability of a company with regard to passengers, in respect of a contract; a man pays a sovereign for his ticket, and enters into a contract with the company, that contract being, as I have explained, capable of being expressed, that the company shall warrant that their servants shall not be guilty of negligence.

2219. That is the construction which the law now puts upon the contract, is it, that a man pays his sovereign to be transmitted from A. to B., and the law construes that contract to be a warrant on the part of the railway company that the railway company will transmit him there, and that there shall be no negligence or default on the part of their servants?—With reasonable safety.

2220. Is it with reasonable safety?—In legal language it is the same thing. A contract to carry a passenger safely and securely is not like a contract to carry goods safely and securely. A man who contracts to carry goods safely and securely is bound to carry them so, except he is prevented doing so by the act of God, the Queen's enemies, or the act of the party himself with whom he contracts; but with respect to passengers there is no such absolute liability.

2221. That being the construction the law puts upon the contract, do you think it would be lawful for the company to alter that contract by any express stipulation with a particular individual or by a general notice; supposing they were to say they would be liable to every person to the extent of 500 *l.*, or to the extent of any other sum that might be named for their due transmission to such and such a place, but that they would not be liable for a greater sum than that, unless a special sum were paid in consideration of the special and particular risk, do you think that that would be lawful?—It would be lawful if you could get a jury to find there was a special contract between the company and the passenger, but to say that it could be done by any general notice, would be to say, that which practically a jury would not find; certainly, speaking for myself, I should not look at the ticket to see whether there was any special stipulation upon it.

2222. The circumstance of having it stamped on the ticket would not be considered by the jury as in reality sufficient notice of the variation of the contract?—I do not say the jury might not, in the case of a person habituated to the line, find that there was a special contract under such circumstances; but I must observe, that if the company were put to that, you would throw them back upon the series of decisions before the Carriers Act, relating to the old carriers' notice, which no doubt the Committee have been referred to. By the 11 Geo. 4 & 1 Will. 4 (which relates only to goods, but the law before the Act would in this respect apply to passengers), a man carrying diamonds, and so on, and giving the carriers' notice, is not liable, except for theft by his servants, unless he has been paid an insurance price; which seems to be after all the cardinal point in the matter. That Act makes companies and carriers, who give notice, not liable unless the insurance price has been paid for those very valuable articles, leaving special contracts to take care of themselves. Before that Act, carriers used to give notice that they would not be answerable for anything above 5 *l.*, as to the effect of which there was much litigation.

2223. As I understand you, there is nothing in the theory of the law to render such a contract illegal, but you think that practically the difficulties of the company in making such a variation in the legal construction of their contract would be insuperable?—Practically the difficulties would be very great. If you had asked me 20 years ago whether a company could have made such a stipulation, I should have said I thought not, but I think the course of modern decisions has been that a company might refuse to carry passengers except upon reasonable conditions, and there would be a question of fact whether there was a special contract under the particular circumstances. I do not think conditions as to the carriage of passengers fall within the seventh section of another Act, which you have no doubt also had before you, the 17th & 18th of the Queen, for the regulation of railway and canal companies; but I think it would be considered in fact an unreasonable stipulation to put upon a man the moment he was going upon a journey, to elect whether he would go at all or upon special terms. The difficulty would be to convince a jury that such an assent on his part had been given to such a contract, as would free the company from liability beyond the stated amount.

2224. Evidence has been given before the Committee that there are certain trains called workmen's trains, with respect to which, under the Acts of the companies, the companies are only liable to the extent of 100 *l.*, the Acts also providing that claims arising upon those particular trains shall be submitted to arbitration, and not be tried by a jury; suppose a company were to advertise that they would run an excursion train from A. to B. at a particular time, and at a special fare, but that they would be only liable to the extent of 100 *l.*, and that 100 *l.* would have to be made a subject of arbitration, if a claim were made for it, so that every person who saw the fact that there was to be this excursion train would necessarily see the notice that the company had issued with respect to their liability with respect to the train; do you think that that would be legal?—I think that would fall within the same rule that I have already mentioned. With respect to excursion trains, there are so many people who really are too careless, or too much pre-occupied with their enjoyment to care for reading a mere general notice of that kind, that I do not think a jury would pay the slightest attention to it; and I think they would generally be right in rejecting it.

2225. The same notice which conveyed to the person the intimation that there was an excursion train would convey the intimation that there was a limit on the liability; I am supposing that the same notice which conveyed to the individual the fact that there would be a train running from A. to B. at a certain time, and at a certain fare, would convey to him also the fact that there would be a special and peculiar liability; you think a jury would say that he might get from the notice a knowledge of the time the train started, and the amount of the fare, but that he might disregard, on the other hand, the notice that the liability would be different from the ordinary liability?—I think a jury might do so; they would consider whether people looked to the notice for more than they wanted. A man would not look at all the notice unless it affected him; he would look at the announcement of the excursion train, and go by it, without caring to

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read the precise terms; and I should think a jury might act upon that in fixing liability on the company. With reference to Lord Campbell's Act, I wish to add one remark which runs over all I have said, and gives point to it, if it has any point. I said the damages are damages arising out of breach of contract. Now, the damages for breach of contract, according to the notions of all lawyers here and abroad, and also according to common sense, ought to be limited to the proximate consequences, and not extended to the extreme consequences. There is a case in the books of a man whose horse, when he was riding to be married, dropped a shoe; the blacksmith who put on the shoe pricked the horse, and thereby caused the man to get late, whereby he lost an heiress, and he brought his action to recover damages for the loss of the marriage. But whatever may have been the case in former times, it is now settled that a man is not answerable for such exceptional and remote consequences.

2226. Supposing a gentleman of very large fortune is going up to London for the express purpose of signing his will, by which will he is going to leave a million of money to a certain person, and he is killed on his journey up to London, do you think that the person to whom the million would have come would have any claim against the company?—Certainly not; that is one of those remote unusual consequences; there is no claim in that case, and that is a very apt illustration of what appears to me to be the haphazard way in which a company might be made liable under Lord Campbell's Act for what is not the immediate or proximate consequence of the breach of contract. Put the case that a man goes to Southampton to take his passage to one of the colonies, where a handsome appointment awaits him, and that he must arrive on a certain day to take it up, and he misses his voyage, the company ought not to be, and in sound law are not, liable for the value of his appointment.

2227. Do you think that juries do give damages for remote and not proximate consequences, to an extent not quite reasonable?—I think juries are quite honest, but I do not think they always keep their minds exactly upon the proper criterion.

2228. What would you say was the proper criterion?—The proper criterion unquestionably is the pecuniary damage that a man suffers; but if I might coin a word to say what I think is the error into which juries most frequently fall in the case of railway accidents, it is in capitalising the uncertain income which a man is assumed to be prevented from making by reason of his being disabled. They must have gone through the calculation of an annuity in some of the cases in which damages have been given, and for that reason I take pains to tell the jury that they are not to give damages by way of penalty, and would be picking pockets if they did; and, in assessing the damages, not only that they are to limit themselves to the proximate consequences of the accident, but also that the railway company is not to be treated like an insurance office; that they are not to take all the contingencies as against the company, the contingency of his having been in sound and insurable health at the time of the accident, the probability of his surviving to half the age between his present age and 84, the contingency of his continuing in good health and in fashion, the contingency of his business continuing to be the same. In some of the calculations of damages, all or some of those contingencies must, I fancy, have been given against the railway company. I always recommend juries to find a round sum fairly representing, as well as they can, a very considerable injury where a very considerable injury has been received, but to throw all notions of calculating annuities out of their heads. I think lately juries have taken that view, and have given more moderate sums.

2229. The companies complain that it is a great hardship upon them that they should be compelled to have to encounter these great risks incident to the carriage of valuable lives, without receiving any additional sum in respect of them; do you think there is any hardship in that or not?—I think there would be no hardship in it if you allowed railway companies to charge what they pleased; but I think as you limit them to certain charges, there is some hardship in making their liability unlimited.

2230. If they were allowed to charge whatever amount they thought fit, then you think they might be held liable?—Then I should see no reason for not holding them liable like other employers of labour. If they were allowed to charge according to value as by the Carriers Act, the 11 Geo. 4, which seems to me to give the principle, I think then they might be held liable; a passenger is an article that may be like a common stone, or may be like a diamond, in respect of qualities which the company cannot recognise upon inspection, and if he chooses to be paid for as a diamond, if injured, he ought to insure himself.

2231. You think the principle of the Carriers Act a right principle?—I think the principle of the Carriers Act unquestionably right.

2232. You would give therefore a limit without insurance, but you would enable a passenger to insure if he thought fit?—I think so; admitting that that is only a rule of thumb, I think it is a practical way of dealing with it, speaking as a man of the world and not as a lawyer, because the law has nothing to do with that.

2233. You think that the Carriers Act is based upon a sound principle?—I think the Carriers Act is based on a sound principle; it put an end to a vast deal of litigation, and I think very likely to considerable frauds upon carriers.

2234. In the Carriers Act a limit was put upon the value of parcels for which the carrier was to be liable, but the owner of a parcel might insure for the value; you on the same principle would put a limit on the value of the passenger, but you would allow the passenger, if he estimated himself at a higher rate, to pay an additional sum, entitling him to recover that sum in the event of an accident happening to him?—I see nothing unreasonable in that, considering that the railway companies are limited as to the amount they can charge.

2235. Practically they could not vary the price of their ticket to every man according to the value of his life?—I would leave that to himself. It would be a very invidious thing for a railway company to arrest a passenger as it were, and say, we suspect that you have so many thousands a year, and therefore you will have to pay so much more.

2236. The company could not say to the Archbishop of Canterbury or a judge, "Your life is particularly valuable and therefore you must pay double"?—It would be a most lugubrious scene before commencing a railway journey, especially with ladies.

Sir *J. S. Willes.*

4 July 1870.

2237. Railway companies complain that they are very hardly dealt with in this respect; they say they cannot settle their claims out of court, because, whatever they pay into court the juries will always give such a sum as will carry costs, and consequently if rather a sharp practitioner has the conduct of the case the company will have to pay 300 *l.* or 400 *l.* for costs if it is forced into court, and therefore they are obliged to give considerably more than is fair, in order to avoid having the matter litigated, and having to pay the costs of both sides; do you think there is any ground for that complaint?—I think that is a hardship which they suffer in common with other defendants.

2238. Is not it the case that railway companies, being rather wealthy defendants, juries are much more apt to fix them with the costs of both sides than to fix ordinary defendants with such costs?—I do not think that is so now. It certainly was so at first; but I think juries now have come to deal reasonably enough with railway companies, except that considering they are able to pay, I think juries would give more damages against Dives than they would against Pauper.

2239. Supposing a man had suffered an accident, not of a very severe kind, and the company had paid 100 *l.* into court, the evidence that is given to us is that, though the jury thought that a reasonable sum, they would give so much over 100 *l.* as would make the company pay the costs on both sides; do you think that would be the case, that they would take the 100 *l.* as the starting point, and give something over the 100 *l.*, so as to carry costs on both sides?—No doubt it often happens that juries do give larger damages; but I think that may equally result from the company not estimating the injury at quite a sufficient sum. I do not think it follows that juries give a greater amount with the sinister motive of making the company pay the costs. When they do give a greater amount, it does not, that I can recollect, usually amount to a small sum like 40 *s.*, or even 5 *l.* or 10 *l.*, from which the inference would be that they did it with the view of making the company pay the costs, but it amounts to something substantially over the amount paid into court.

2240. You do not think they would take into consideration that that sum had been paid, and award an additional sum for the express purpose of making the company pay the costs?—I have not observed that. In order to arrive at that conclusion it ought to be shown that the exra amount awarded by the jury was a small sum, so as to indicate that they gave it for the purpose simply of out-topping the amount paid into court, and so making the defendant liable to costs. Where the extra amount awarded by the jury is anything considerable, it is obviously given because the jury estimate the damages at more, and not because they think enough has been paid into court, and yet give a little more for the purpose of carrying costs. It is not my experience that juries have given a little more than the sum paid into court; but if there were a great number of cases in which the sum found by the jury was 10 *l.* or less above the amount paid into court, that would seem to indicate that juries had a motive beyond the motive of assessing the damages at a reasonable amount. I am not aware of many such cases. The companies have the means of getting information upon that subject. Statistics could easily be got at showing the number of cases in which juries have given an amount above the amount paid into court, so as to ascertain whether those amounts have been so small so as to show that they were merely given to out-top the amount paid into court, and make the company pay costs. On reference to those statistics, I should think it would be found that juries had given those small sums over the amount paid into court in comparatively few cases.

2241. The companies complain that the costs are very high; probably that has not come within your knowledge?—No doubt the costs are high, but I think there is reason for that. Medical evidence is expensive in the case of injuries. I should not be surprised to learn that the companies keep a staff of medical men to look into those cases for them; and on both sides there is evidence of a scientific character. When a question arises as to an accident like that which happened at Newark the other day, there may be questions as to the character of a tyre, and as to what the proper sort of wheel should be, and what precautions ought to be taken. That would involve the evidence of engineers, which would be expensive.

2242. We have been told that these cases of claims for compensation get into the hands of disreputable practitioners, both medical and legal; has that come within your knowledge?—Yes; that, I am sorry to say, has sometimes happened. I have some cases very distinctly on my mind in which that has happened lately. Last year the Court of Common Pleas, in two cases, interfered with the damages given by a jury, and in one of them certainly there had been very considerable misconduct in the way of misleading the company as to the real history of the plaintiff. I think 4,000 *l.* damages were given in one case. That was an honest case, but the damages, I think, were exaggerated. It ended by our recommending a compromise, the parties agreeing to a smaller amount than was awarded. In another case 3,000 *l.* had been given, and there we set aside the verdict without allowing the plaintiff his costs, and granted a new trial, thinking that the company had been misled by unfair particulars of the state of the man's business. Also, we had a case the other day, a Brighton Railway case, in which the jury *in furore* gave a farthing damages, though judgment had been allowed to go by default. The jury took it upon themselves to do that, conceiving no doubt that the case had been unfairly conducted against the railway company, and thinking they could not trust the plaintiff's case. We may perfectly trust a jury, if any unfair practice is brought before them, to deal out justice. The 12 men will be just as indignant as the man on the bench, and they will have the advantage of being fresh to the matter, whilst he is, so to speak, stale.

2243. Do you think any advantage would be gained by altering the nature of the tribunal; do you think such cases might be tried, by the county court judges, for instance, without juries?—I think that might almost be left for the railway companies to decide. Some of the county court judges are as competent men as you can find anywhere, both as lawyers and men of business. I am not aware that all the county court judges are so; they do not come sufficiently before me as one of the public to enable me to say that I arrive at that conclusion.

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2244. Do you think whether it is desirable to have any form of compulsory arbitration on claims of this description?—I doubt that arbitration is often a very expensive thing and dilatory. According to my observation, I think it would be objectionable as between each individual injured person and the company, but it has often crossed my mind that it would be a useful thing when a great accident happened, involving injuries to numbers of people, if there was power to refer the consideration of that to one tribunal, and for this reason; you would first of all have the foundation of the individual claims determined upon one inquiry; there would not be the necessity that there is where each individual brings his case separately before a jury, of going through the cause of the accident over and over again, it may be before different juries, who might arrive at different conclusions as to the negligence. One expense would be incurred, and I should say the great expense, which the companies complain of, results probably from their having to investigate the same class of circumstances to a great extent in each individual case, whereas if there was one reference of the whole, there would be expense saved; but I am rather deterred by this consideration; if you look into the Merchant Shipping Code, which I think the Bill now before the House is called, you will find a series of most promising provisions, by which the Board of Trade is authorised in the case of a number of persons being injured by a vessel, to stop the actions of individuals, and to make the sort of reference to which your question referred; they have power to appoint one person to go into the whole matter with the assistance of a jury, all actions being stayed during the inquiry; then the damages are to be distributed, and a penalty is imposed upon anybody who subsequently brings an action, unless he gets more than double the sum awarded to him in the course of the arbitration. When, in reading that Merchant Shipping Code, I came across that series of provisions I was a little surprised, and I had to look back into the older Act for the purpose of seeing whether they had been in existence before; they have been in existence since 1854, certainly in 17 & 18 Vict. c. 104, ss. 507 to 513, and I am not aware that they have been put in force; you generally see accounts of most interesting Board of Trade inquiries in the papers, but I do not recollect to have seen an account of one of those arbitrations.

2245. Would that be owing to any defect on the part of the Board of Trade in not putting the machinery into the Act?—No, I think not; my impression is, that it shows that shipowners and people having claims on them have not felt satisfied with resorting to that method; they prefer the ordinary proceeding.

2246. Is not it the case probably that though both sides would not agree to refer it in that shape, yet, if it were made compulsory, it would be a good thing for both?—Those provisions seem to be most promising provisions, and if it were thought advisable to adopt the machinery of arbitration, they are worth looking at; those provisions in the Merchant Shipping Code giving authority to set on foot an inquiry, before an assessor and jury, entirely to the Board of Trade. If in any new law which might be passed, similar provisions were inserted with respect to the trial of cases of claims against railway companies, I would allow the company to make application to the Board of Trade to institute an inquiry; it would be like the case of a shipowner who has run down another ship and injured a great quantity of cargo belonging to different owners, desiring to take advantage of the limitation clauses in the Merchant Shipping Act, 17 & 18 Vict. c. 104, ss. 514 and 515. He institutes his proceeding, offering to pay that which he is bound to pay, and offering to distribute it amongst all the persons who have been injured.

2247. In the event of an accident happening on a railway, when, say, half-a-dozen are killed and 20 more or less injured, you would give to the company the power of applying to the Board of Trade to send down an arbitrator, who should investigate the proper sums to be paid both with respect to persons killed and also with respect to persons injured?—Yes, in that case I should call upon the company to admit their liability; I think the interposition of a jury would be proper where the company disputes the liability.

2248. Their applying to the Board of Trade to assess the damage would imply that they admitted the liability?—Yes, it ought to do so; it would also be a matter worth considering whether if the passenger has paid so much for insurance, the sum for which he had insured ought not to be paid without litigation; whether the company ought not to do as the Accidental Death Insurance Company does; pay the amount on the death and render unnecessary any litigation with respect to the amount to be paid under the insurance; whether it should be necessary as a condition precedent where there is an insurance to prove negligence, or whether the production of a ticket like those insurance tickets, which I understand are now issued at railway stations by the Assurance Company, would not be sufficient.

2249. The Royal Commissioners on railways, who reported in the year 1867, have made this recommendation; "We, therefore, recommend that, on the one hand, railway companies should be absolutely responsible for all injuries arising in the conveyance of passengers, except those due to their own negligence; and that, on the other hand, the liability of the railway companies be limited within a maximum amount of compensation for each class of fares;" that, I think, is pretty nearly what you recommend?—I think that is reasonable. The first part of the recommendation involves, as I understand, that the company is to be liable though their servants are not guilty of negligence; that would be putting passengers on the same footing as goods.

2250. I think, with respect to goods, it is an absolute guarantee, except as against fire and the Queen's enemies?—The act of God, and the Queen's enemies. The exception of fire is introduced by Statute, or stipulation.

2251. Then the Commissioners go on to recommend "that any passenger should be entiled to require from the company any additional amount of insurance he may desire, on paying for it according to a fixed tariff;" I understand that is according to your view?—That is according to my view.

2252. Then they recommend "that claims for compensation should not be admitted unless made within a certain period"?—I think that reasonable. There was a claim for compensation in one of the cases I mentioned a while ago, made as long, I think, as two years after the accident, and it was sought to trace serious consequences

Sir *J. S. Willes.*

4 July 1870.

that developed themselves at that time to the accident.

2253. You would not allow a case of that kind?—I think that is too long a time to allow. I think there ought to be, at least, a notice of the claim at an earlier period. A man might very well say, "I have been very much injured; I am told it will be some time before it will appear whether I am permanently injured or not, therefore I do not bring my action at present;" but he ought to be called upon to give notice of his claim within a reasonable period, otherwise it would be impossible that the company could keep a record to which they could refer for the necessary evidence. I ought also to say that I think the Statutes of Limitation generally, all through from one end to the other, ought to be cut down one-half with respect to every claim.

2254. Mr. *Denison.*] Under the present law as it stands, where the company charge the maximum fares, they are bound to carry without any conditions whatsoever as to liability?—Except the condition that the passenger, in order to recover, must prove negligence on the part of the company's servants, and also he must satisfy the jury that he did not contribute, by his own negligence, to the accident; he must "look sharp," which, I think, is the expression one has allowed one's self to use in addressing a jury.

2255. Sir *H. Selwin-Ibbetson.*] With relation to the alteration of the tribunal, Mr. Baron Martin stated, as an objection to the county court judges, that very conflicting decisions would very likely arise, when you had 200 or 300 men giving decisions on cases of claims for compensation; do you think that that liability to a great number of conflicting decisions would be an objection to constituting the county court judges the tribunal for the trial of such cases?—I think there would be a good many objections to the county court judges. That would be one certainly, but I do not feel that so much as some do. With respect to the county court judges their judgments are not reported. Some of the principal decisions of the county courts are put into the weekly "Law Journal," decisions by men of sound judgment, and some of them are exceedingly good, but as a rule they are not reported, and except as far as regards the moral effect in the neighbourhood, I do not know that it would tend to poison the law very much. But there is one objection, I think, to putting this work upon the county court judges: it would interfere very much with their ordinary work. My notion is that this is rather beyond the scope of the small debts court jurisdiction. The cases that would come before them would involve very serious questions, both of law and of fact.

2256. Mr. *Denison.*] Another form of tribunal has been suggested by one of the inspectors of the Board of Trade: he says, "I think that the whole form of inquiry into railway accidents, as well as the compensation to the sufferers, ought to be altered. I think that the form of inquiry is bad, and that the means of assessing the damage to sufferers is bad, and I think that they might both be remedied in some way, by giving to the Board of Trade power to appoint a court of inquiry according to the circumstances of the accident, not necessarily a full court for a very small accident, and that they should have power to refer all cases of compensation to the same court, and to call one after another before that court;" he also proposes that the inspectors or the court should have the power of compelling witnesses to give evidence, and that the companies should be compelled to afford information; would the objections which you entertain to the county court judges apply to courts of that kind also?—No; I do not think any of the reasons I gave for not sending those cases to the county court judges would apply to that tribunal, but what I said just now with regard to a similar proceeding by authority of the Board of Trade under the Merchant Shipping Act would apply. I am rather surprised at finding that that machinery has not, as I understand, been used, or, if used, used to any great extent. With reference to these railway cases, if there be a special tribunal, it ought to be a very good tribunal, well paid. If there is to be a distinct railway tribunal appointed it ought not to be left to people picked up at haphazard, to men who do work generally at the desk, so to speak, and who are sent down accidentally for the purpose of conducting a judicial inquiry. I think they ought to be persons whose judicial powers are considerable, and who are thoroughly well paid for attending to that work, and not people taken from a desk to go into court and conduct a very serious and difficult inquiry, and one requiring very great command, as it appears to me, of judicial resources.

2257. Mr. *Mowbray.*] You said you thought arbitrations were expensive and dilatory; did that remark have reference to arbitrations before barristers, as compared with cases tried at Nisi Prius?—I did not refer to arbitrations before barristers, because if I were asked, I should say that I think a barrister is the very best arbitrator. I think an arbitration before a lay arbitrator is usually more expensive and more dilatory, and his award, as a rule, is more open to have holes picked in it than in the case of an arbitration before a barrister. The barrister keeps the evidence within limits. I will not say barrister only, but lawyer; a lawyer, from his habit of mind, is able to keep the evidence within the proper and relevant limits, and, according to my experience, his award costs less and is less liable to objection; but perhaps this may be regarded as praise of my own profession.

2258. You said you thought arbitrations were dilatory and expensive?—I meant as applicable to individual claims of compensation. If you referred the question of the whole accident, and the claims of everybody arising out of it, to a competent man, in whom everybody had confidence, I should have thought it would be a useful proceeding; but if you are to have an arbitrator for each distinct case, I think the proceedings might be interminable.

2259. Do you know anything of the law with reference to the Railway Passengers Insurance Company; it has been stated here by their secretary, "We have a peculiar privilege under our Act: the right of taking cases into court was so intolerable, when every man had an improper claim that he wished to urge, or an exaggerated claim, used always to say that he would appeal to a jury, so we came to Parliament and obtained power to make arbitration compulsory, and since then we find that we are enabled to deal most satisfactorily with those cases"?—I have had no experience out of court in those cases.

2260. You have had no experience of the working of any arbitration court under that Act?—No. I had a good deal to do with arbitrations when

when at the Bar, and I have had the opportunity of observing different sorts of arbitration on the Bench; but with respect to that particular Act, and the working of it, I am unable to give any information. I think, when an important contested question of law or fact arises, a person who is injured by a railway company ought to have the power of resorting to a public court; and if there be a special court created for the purpose, that special court ought, according to the rules usually followed with respect to railway companies, to be connected with the Board of Trade. If it were a good court, well selected, and the whole matter was referred to it, I think in case of great accidents involving much litigation, it would be a decided improvement. When there was an accident damaging a great number of people it would save a great deal of expense; but with respect to compulsory arbitration in individual cases, I should like to know the person to whom the cases are to be referred before I gave an opinion on that.

2261. Supposing the Legislature could construct a special tribunal armed with proper authority, you think that might be an advantageous substitute for the trial before a judge and jury?—I think so, certainly. If you could spare a judge to go down to the scene of the accident, to sit at the nearest petty sessions court, or the best court that could be got for the purpose, so as to be within the reach of the witnesses; to go down soon after the accident, and hear the whole matter once for all, first deciding as to whether there was a liability on the company, and if then the amounts were to be settled by some person whom he might appoint, or, as would most likely be the case, by arrangement, subject to his interposition in case the parties could not agree upon the amount, there would be a great saving in the expenses; but any of the attorneys of the railway companies, such as my old client Mr. John Young, who, I think, is still the attorney of the Great Western Company, or Mr. Blenkinsop, whom I see in the room, the London and North Western Company's attorney, would be able to give a better opinion upon that, and would be able to speak better to the details of it than I.

Sir *J. S. Willes.* 4 July 1870.

Mr. George Pattison Elderton, called in; and Examined.

2262. *Chairman.*] What are you?—A Labourer in the employment of the East and West India Docks Company.

2263. Where do you live?—At Walthamstow.

2264. Where do you work?—At Crutched Friars.

2265. What is the distance between the place where you live and where you work?—Six miles.

2266. Are you in the habit of travelling between those two places by railway?—Only when it is wet; but then I am compelled to walk all the way from my house to Dalston Junction, which is three and a-half miles, to get a train, and in doing so I have to pass two stations, one the Great Eastern, and the other the North London.

2267. Have you any suggestion to make to the Committee connected with their inquiry?—I see there is a great deal said about compensation. I think the railway companies ought to give us some compensation for the wholesale destruction of houses they have caused in London. The rents have gone up to three or four times the amount they were some years ago: 25 years ago, or a little more, my mother occupied a house, No. 24, Wellington-place, Bethnal Green, the rent of which house was 6 *s.* 6 *d.* a week. When my father died, my mother went into two rooms in that same house, for which she paid 4 *s.* a week, and the rent of that house has gradually gone up, owing to the wholesale destruction of houses in that parish, till the rent of it is now 14 *s.* per week and taxes.

2268. What suggestion have you to make to the Committee?—What I would suggest is this, that the railway companies ought to give us some compensation for the rents we have to pay, and for the confined spaces we have to live in, which is another important thing. Before the railways came into London, every man had his garden, and a good garden.

2269. The rents have gone up over a very large district in London, have they not; and not merely over the districts into which the railways have come?—All over London proper.

Mr. *G. P. Elderton.*

2270. Would you make railway companies pay the difference between the rents now charged and what they were in former times over the whole of London?—No; but what I come to put before the Committee is, that they should carry workpeople a little way out of town by a penny train, as a compensation for what they have done in the way of the destruction of workmen's residences.

2271. You suggest, that in compensation for what they have done, it should be made compulsory upon the railways to carry you for a penny to and from the place at which you may happen to live?—I would not wish to compel them.

2272. You think they ought to carry you from place to place at a lower rate than they charge now?—Yes.

2273. What do they charge now?—The Great Eastern charge 6 *d.* return from Lea Bridge, and 9 *d.* from Walthamstow.

2274. How many miles is that?—It is five and a quarter miles from Lea Bridge to Shoreditch. Then again, there is Leyton, about four and a quarter miles, in which case the return fare is 6 *d.*

2275. You think that the cheap workmen's trains are very valuable for workmen?—They are.

2276. And you would rather encourage them in the country generally?—Yes.

2277. The companies have only limited liability in the case of workmen's trains; they only pay for accidents to the extent of 100 *l.*; do you think the working people are satisfied with that?—No, they do not wish it to be 100 *l.*; they would rather have it settled by arbitration; that is, as I myself suggested, two persons from the railway company, and two persons from the family, with an independent person as umpire to avoid all law expenses, for, as we believe, too much money is swallowed up in law expenses.

Mr. G. P. Elderton. 4 July 1870.

2278. That you think would be satisfactory to working people?—I think it would be satisfactory to them, as far as I am capable of judging from persons whom I have spoken to on the matter.

2279. The companies say they cannot afford to run trains at this low rate if they are liable to a very great amount in case of an accident, and consequently they limit their liability to 100 *l.*; would you rather have dearer trains with unlimited liability, or cheaper trains with 100 *l.* liability?—You cannot expect a poor man to pay for a dear train.

2280. You would prefer the cheap train and limited liability, suppose the choice were between the two?—We ask for both; we do not want the compensation to be put at 100 *l.*, because you cannot value a married man's life at the same amount as a single man's life; 100 *l.* would not be a sufficient compensation in the case of a man with a family of 8 or 10 children.

2281. Suppose the companies say they cannot afford to run a cheap train with a very large liability, but that they can give a cheap train if the liability is limited to 100 *l.*, which would you like the best of the two; a cheap train with limited liability, or a dear train with unlimited liability?—The dear train we could not pay for, therefore we should have to do the same as I do now, walk. I cannot see how the family of a poor man who was killed could accept 100 *l.* as the value of his life.

2282. Mr. *Winn.*] You think 100 *l.* would be too small a compensation in some cases, though in some cases it would be more than enough?—In the case of a single man, his friends would not require 100 *l.*, but in the case of a man with a large family, of course provision ought to be made for the children.

2283. You think 100 *l.* would not suffice in a case of that sort?—No; it would not suffice in the case of a man with a large family. It would answer the purpose of the companies very well to run those workmen's trains at a low rate. Mr. Mansel offered to run a train if we would guarantee him 50 passengers from Dalston to Broad-street. We asked for an earlier train at half-past five, and we guaranteed him 50 passengers, and that train has gone on till it has now 500 passengers. Why should not they go to the next station, Hackney, and the next one past that, Homerton, where they might pick up 500 more? Yet they will not do that.

2284. Mr. *Reed.*] What you say is, that a large body of the working class have been turned out of their houses by the construction of these railways?—Yes.

2285. And you have been unable to get near to your work other houses in which you could live?—Yes; not without giving such a rent that we could not afford to pay.

2286. You, having gone with many others to Walthamstow, cannot travel on the Great Eastern at a less cost than 3*s.* per week?—No; and there is no train in the morning to get me up to my work in time.

2287. What is the first train from Lea Bridge to Shoreditch?—At 25 minutes to 8, and it arrives at Shoreditch at 8 o'clock, one mile from the City.

2288. What time do you begin your work?—At a quarter to 8.

2289. You are obliged to walk because the train will not bring you up in time, and because it charges you too much?—Yes.

2290. You go to Crutched Friars?—Yes.

2291. Your wages are, how much?—They average, I suppose, about a guinea; sometimes they are 22*s.*, and sometimes 23*s.* They are a little more when I work overtime.

2292. To travel every day from the place where you live to your work would take 3*s.* a week from your wages?—Yes; 3*s.* from Lea Bridge; 4*s.* 2*d.* from Walthamstow.

2293. You cannot afford that?—No. If I add that 3*s.* to my rent, which is 5*s.* 3*d.*, that comes to 8*s.* 3*d.*, and then I have my wife and child, and my wife's mother, to keep, and myself.

2294. You consider that you have been greatly injured by the railways coming into London?—Yes.

2295. You say that railways ought, by running cheap trains, to compensate the workmen to some extent for the injury that has been done them in that respect?—Yes.

2296. Are many of your neighbours in the same condition as yourself?—Yes, a number of them.

2297. How do you get to London?—I walk.

2298. How many miles is it?—Six miles each way; that is 12 miles a day. I walk with the exception of when it is wet, and then I go across to Dalston.

2299. As to the North London, you belong to an association for promoting cheap trains for the working classes?—I do.

2300. How did that association originate?—It was started by a number of persons who had to travel from Hackney and Homerton to and from their employment; and they suggested that the North London Company, instead of running their trains empty from Bow down to Broad-street, should take passengers at a penny a journey to Broad-street.

2301. Is there a larger number of working men living at Homerton than at Dalston?—Yes.

2302. There is a very large population of working men there?—Yes.

2303. What is the distance from Homerton to Broad-street?—I should think about 3¼ miles by rail.

2304. What is the distance from Dalston?—Two miles.

2305. They give working men's tickets at Dalston?—Yes; but they give them by the week only.

2306. But they will not give those tickets to working men at Homerton?—No.

2307. Why is that?—That is their own matter; it has something to do with the compensation question.

2308. Are you aware that they are obliged by Act of Parliament to run workmen's trains for the convenience of working men?—Yes; but even that working men's train from Dalston Junction is not altogether convenient for a vast number of men who come to London to seek for employment, perhaps bricklayers or persons having casual work; they cannot travel by that train. I travelled by it one morning at half-past five, and they refused me a penny ticket; they charged me 3*d.* You must take a ticket for a week.

2309. A man cannot take a ticket for the period of his engagement, for two or three days, for instance?—No.

2310. Is

2310. Is there any third class in that train?—There are all second-class carriages.

2311. The only reason why a Homerton man cannot get the advantage that a Dalston man has, is this compensation question?—Yes, as far as Bow is concerned; the tramway runs for a penny from Bow, and the omnibuses run from Bow to the Bank for 2 *d.*

2312. Have you remonstrated with the company in reference to this?—Yes; we have written to them several letters.

2313. The secretary of the company stated that he had had no complaint whatever made to him from the working men of that district; are you in a position to say whether or not that is correct?—There are one or two letters which I might have brought, if I had known that that question was going to be put. This is a letter from Mr. Mansel (*producing it*).

2314. Mr. *Denison.*] What is the date?—23rd of February, 1869, and this (*producing another letter*) affects Hackney.

[*The same were handed in, and are as follows:*—]

"North London Railway,
"General Manager's Office,
"Broad Street Station, London, E.C.,
"Sir, 23 February 1869.

"I HAVE to acknowledge the receipt of your letter of the 19th inst., which differs so materially from the representations previously made as to the hours at which workmen's trains are required, that I am compelled to defer further action in this matter for more definite information. It has hitherto been represented that the main requirement of the labouring classes resident in and about Dalston is an earlier train service, which would enable them to reach the City between 5 and 6 a.m. In answer to this, it was pointed out that hitherto all arrangements made for an early train service have been found to be entirely unremunerative, but that if assurance could be given that any considerable number of workmen, not less than 50 by each train, required such accommodation, my directors would be prepared to afford every reasonable facility in their power. As the above number of passengers would, at the rate of fare, yield only 4 *s.* 2 *d.* per train, and in addition to the cost of running, the company would be put to extra expense in consequence of the several stations being opened an hour and a half earlier than at present, a guarantee or reasonable assurance of this number can hardly be considered unreasonable; certainly, if the number be less, it can hardly be argued that there is any requirement on the part of the public which would call for such an arrangement by the company. Your letter of the 19th instant, however, states that of the number of passengers to be expected, at least 80 per cent. are not required to be at their work before 8 a.m., and if this be so, the assurance as to the number of passengers to be accommodated, which was the essential basis of the suggested arrangement, cannot be considered as fulfilled. I have already explained that the recognition of workmen's tickets cannot be extended to between 7 and 8 a.m., nor between 4 and 6 p.m. on the return journey, as the trains, between those hours, are fully occupied with other traffic. I may also point out that by the Company's City Branch Act of 1861, it is provided that the workmen's trains shall not be run later than seven in the morning, nor earlier than six in the evening.

"Yours faithfully,
"*Robert Mansel,*
"General Manager.

"Mr. Marks,
"3, Churchill-road,
"Hackney, N. E."

Workmen's Trains.

"North London Railway,
"Euston Station, London, N.W.,
"Sir, "12 February 1869.

"IN reply to your letter of yesterday's date, my directors cannot undertake, as already explained to you, to run workmen's trains on any portion of the line, other than between Dalston and Broad-street, until the provisions of the Company's Act, 1867, limiting the liability of the company in respect of passengers conveyed by them, is extended, so as to include the portion of the line over which such trains are run.

"Subject to this limitation of liability, and a satisfactory assurance of the number of passengers to be accommodated (say not less than 50 by each train), my directors will be prepared to afford every reasonable facility for the accommodation of the class of passengers for whom the workmen's trains are intended.

"Yours faithfully,
"*Robert Mansel,*
"Secretary, &c.

"Mr. Henry Marks,
"3, Churchill-road,
"Hackney, N. E."

2315. Mr. *Reed.*] Supposing a working man is killed by an accident in a train, and he has a large family, what is the result, generally speaking, to his family?—If he had only 100 *l.*, and if he had a large family, that would be a little more than 3½ years' purchase at 10 *s.* per week, and if that family was young they would have to go to the parish.

2316. The country would have to pay for the family of a man in that position if the compensation was too small?—Yes.

2317. Do you consider 100 *l.* a fair compensation for a working man who is earning 30 *s.* or 25 *s.* a week?—It would depend on the number of children he had, or whether he had parents to support.

2318. Do you know the feeling of the working men generally on the subject?—Not generally; I have heard the feeling of a great many of them; the feeling in general is against the 100 *l.*

2319. They object to the limit being fixed at 100 *l.*?—Yes. There is an association at the West End, out Kensal Green way, composed of clerks principally; they are willing to accept the trains at any price.

2320. Have you known any working man's family who has had a claim against a railway?—No; but to show that working men are not always inclined to make claims against companies, one morning we were travelling up by an early train, in the winter time, to Broad-street, there were eight or ten in our compartment; we arrived at Broad-street, and it was quite dark; it was very early in the morning. There was not a single light in the station, and one of our men fell out

Mr. *G. P. Elderton.*

4 July 1870.

of the train. Somebody opened the door, and he fell out. I wrote to Mr. Hitch, the traffic manager there, and he wrote me a letter back, stating that if we would let him know this party's medical man they would send their medical man to settle it. We never troubled our heads about it. The man was laid up a fortnight, and with our club we supported him, and made no further trouble about it.

2321. It is very difficult for a poor man to make a claim against a rich company?—It is like a lamb fighting a lion.

2322. Would he be likely to get a solicitor to undertake his cause?—It is very questionable whether he would, if there was any cavilling about the matter.

2323. Would a professional man want money down before he would undertake to take the case into court?—Yes; and I doubt very much whether he could get a loan out of his sick club fund sufficient to pay a lawyer.

2324. He would try to get a loan from his society, if he was in one?—Yes; or the best way he could.

2325. Not being able to get his money, he would have to abandon his claim?—You may depend on it, there are many cases of that sort.

2326. Where fair claims are abandoned from the difficulty of prosecuting them against a great company?—Yes; for the want of means.

2327. Mr. *Sherriff.*] Can you give us any cases of that kind?—No; I know of no cases of that sort; there may not be so many as there used to be; but I believe formerly there were many cases of that description.

2328. Have you ever applied to a lawyer to undertake a case of a claim for compensation, and where he has declined to undertake it?—No; my family had enough of the lawyers; they ruined them; I do not care about them.

2329. Mr. *Denison.*] Where do you work?—At a tea warehouse.

2330. You have said a great deal which leads one to believe that you look upon these railway companies as a sort of insurance companies in the event of accident; you think they ought to value a man's life in the same way as an insurance company would value them?—No; they take your money to carry you a certain distance, and they ought to use all the care possible to carry you there; and being great capitalists (and some of them are better off than others), they ought to give some compensation in a proper manner to working men, as well as anybody else.

2331. You say that a married man ought to be paid at a higher rate than a single man or woman?—Yes.

2332. That might be a proper consideration for an insurance company to take into account, but if you go about your ordinary business you are exposed to all the accidents of life; you cannot guarantee your life against accident, whether you travel by railway or whether you travel by coach, or tramway or omnibus; you contend that there ought to be a different mode of arriving at the compensation in the case of travelling by railways to what there should be in the case of travelling in any other way?—Yes; suppose a man with only 100 *l.* has a cab, and that man knocks you down and kills you, what could you expect out of that cabman; not 50 *l.*

2333. You think because companies are an association of small capitalists, perhaps widows and others of small means, who club their money together, which makes a great capital in the aggregate, they are to be looked upon as wealthy people, who ought to compensate their neighbours at a much higher rate than other people?—Some of them are wealthy; but I think if they were to drop the 100 *l.* and run trains to carry workmen at a penny, a good many of them would pay a dividend where they do not now.

2334. *Chairman.*] Would you make a working man pay any increased fare for an increased compensation?—With the rate of wages at what it is, and with house rent at what it is, a penny a journey is quite sufficient.

2335. Do you find that in buying your loaf the rate of your wages enters into the question of what you ought to pay for it?—As far as provisions are concerned, the case is different; with the expenses of living and house rent, and one thing and another, I do not see how a working man can afford to pay more.

2336. Mr. *Sherriff.*] What is the difference between the rate of house rent in the city and in the suburbs; what could you get a house in the city for with the same accommodation that you get outside?—We pay for our office, a little room, 6 *s.* a week. I have a good garden and house, four rooms, water laid on, and kitchen, for 5 *s.* 3 *d.* There are 3,000 houses to let at present, with 100 feet of garden, at Woolwich and Plumstead; there are 2,000 houses at Canning Town, and those two railway companies are so stupid as not to carry working men there.

2337. Mr. *Winn.*] How long have you lived at Walthamstow?—Ten years.

2338. You pay now 5 *s.* 3 *d.* a week for four rooms, a washhouse, water laid on, and a good garden at the back?—Yes.

2339. What sized garden?—Eighty feet long.

2340. How wide?—I suppose about 18 or 19 feet; four feet wider than the house.

2341. Where did you live before you went to live there?—Alongside the Regent's Canal in Hackney.

2342. What rent did you pay there?—Seven and sixpence for a house, not half so good as mine.

2343. Any garden?—Yes; a small piece, about 30 feet, but the stench from the canal was enough to kill anybody.

2344. The 5 *s.* 3 *d.* you now pay includes a garden?—Yes, and there are no taxes; and there are several houses which my landlord is building at the present time, with bay windows, and everything complete at 5 *s.* 6 *d.* a week, and no taxes.

2345. Mr. *Sherriff.*] They are not let?—No.

2346. Mr. *Reed.*] If working men could get cheap fares, they would go to that district?—Yes; they come there and stay the summer, and get back again in the winter, because they cannot stand the winter.

2347. Mr. *Sherriff.*] If it was easy to get to this quarter, do not you think that the competition for houses would get the rent up?—They tell me there are 60,000 houses to let in the suburban district. If we were to fill them we should improve the social and moral condition of the working men, and immediately raise a competition between house rent in the suburban district, and house rent in London.

Mr. FREDERICK ROSE, called in; and Examined.

2348. *Chairman.*] YOU are a member of the firm of Baxter, Rose, & Norton?—Yes.

2349. Solicitors to the London, Brighton, and South Coast Railway Company?—Yes.

2350. Have you had the management of a great many accident cases?—Yes, I am sorry to say, a great many.

2351. Can you mention the most notable of them?—The principal accident I have had to do with, is the New Cross accident, in connection with which accident we have had to deal with several cases of fraud. The first one was the case of a man named Dickenson. I think he was quite a poor man; he had no difficulty in finding a lawyer to take up his case; he brought an action against the company for an alleged rupture. We let judgment go by default, believing that he was in the train, and he got 250 *l.* damages. Some time afterwards one of his accomplices split on him, and told me that he was never in the train at all. In consequence of that, he was tried at the Old Bailey, and he is now serving two years in the House of Correction at Wandsworth. Then there was the case of Dinah Harris. She was the daughter of a publican, and was his barmaid. She alleged that she had received frightful injuries, and in court, when the case came on, the evidence went to show that she might possibly have been slightly hurt; but that she had been tickling her throat with a feather to make herself sick, and no doubt brought herself into a state of serious ill-health. In that case the doctor's charges were 230 *l.*, a most extravagant sum, and large amounts were charged for each visit. However, the jury saw through the case and returned a verdict for the defendants. Another case in connection with the New Cross accident was that of Mr. Smith; he was a publican at Norwood, and it appeared to me suspicious that a man living at Norwood should be at 11 o'clock going by a train the other way. I found out from a neighbouring publican that he had been at the station at the time of the accident, or a porter saw him at the station at the time of the accident; but he had never been in the train at all; he had been in London on business, and hearing of the smash, he palmed himself off as one of the sufferers, and brought an action against the company. We, however, got a verdict in that case. Another case was that of a man who brought an action against us, and laid his damages at 300 *l.* His injuries were stated to have been of a most serious nature; he obtained an order afterwards to increase the damages to 2,000 *l.*, making an affidavit that his injuries had assumed a very serious aspect, and that he would never be well again. The case was brought out, and the jury luckily found there was an immense deal of fraud in the evidence; that there were a great many untruths in the particulars delivered under the judge's order, and in the evidence, and they visited him with a farthing damages. That was the case mentioned by Mr. Justice Willes just now. I have several more cases on my list of a similar character to the last mentioned.

2352. Have you any reason to complain of juries?—I think we have very good reason to complain of juries.

2353. On what ground?—On the ground that they give excessive damages in many cases. I have another list of cases in which, as we believe, the damages have been very excessive.

2354. In *bona fide* cases?—Yes, where the injury has been *bona fide*.

2355. With respect to frauds, you are liable to them in common with the rest of the community; that is a matter which the law cannot deal with specially in your case?—Yes, but we are more liable than other people to these frauds, particularly as regards exaggeration of the injuries received. In the case of the New Cross accident, 400 claims were sent in within two days of the accident. It was open to anyone who was on the platform at the New Cross Station, when the accident occurred, to say he was in the train, and there was the greatest difficulty in distinguishing those who were in the train from those who were not, for almost all those who claimed had lost their tickets. We can hardly ever get their tickets from them as evidence that they have been in the train, and when you come to deal with 400 or 500 cases, and you find fraudulent cases among them, it gives rise to suspicion.

2356. They give no proof that they were in the train?—Only their oath; but if they are capable of concocting a story that they were in the accident, they will not stick at an oath. Sometimes they will bring friends with them, and it is possible for those friends to perjure themselves; for instance, in the case of Dickenson, a man who came to give evidence that he had been with Dickenson at the time of the accident in the train, was a watchman at a night-house in the Haymarket, and he was never near the place.

2357. What change in the law would remedy that?—I do not know how you can remedy the frauds that are perpetrated upon us, but I think all the companies are agreed, that by reducing the damages to a certain maximum in each class, we should be saved from those very heavy damages in cases where we believe *bona fide* injuries have been sustained, but where, as things now stand, juries give very exaggerated damages.

2358. In that way you think you might diminish the temptation to fraud?—Yes, to a certain extent.

2359. Have you had any evidence of improper conduct on the part of professional men, either legal or medical?—I am sorry to say we have had several cases, both in the legal and the medical professions. One attorney had about eight or nine cases against us. He wished to send them all to arbitration. We agreed to send them to arbitration, but at the last moment he said he must first make a stipulation that we should either pay him untaxed costs, or pay him a very heavy sum, which would have been quite out of proportion to the services he had rendered. I set my face steadily against any such proceeding, and the cases all went to trial eventually. I had evidence that this same attorney, for a discharged clerk told me so, had been round the hospitals touting for cases; and another attorney, who had also been touting for cases, actually preferred a claim on behalf of one man who repudiated it afterwards. The man told me he had been round, and asked him to give his authority to bring forward his case, which he had refused, and notwithstanding that, the man had put in a claim, and was going to bring an action

Mr. *F. Rose.*

4 July 1870.

against us. Then, in the medical profession, we have had several cases of improper conduct. There was one man, named Jolland, who appeared in two trials, the Victoria accident, and also the New Cross accident. He gave evidence that he was a duly qualified medical man in the first trial. We found out that he was not a medical man at all; that he was a student, but had never passed his examination. He swore that he was carrying on business with another medical man, who was duly qualified. At the second trial I was able to confront him with the death of his partner, which had happened nine months before, which considerably astonished him. Then a man named Docking, I think, was in about eight cases against us; he had been called in merely as a sort of legal medical man; he had never advised the patients in any way, or given them the slightest assistance to restore them to health, but had been merely called in to assist litigation, and he had charged enormous sums in the particulars for those services, whatever they were. He was with a solicitor, and he went round to all those people, and put in the particulars of the extent of their injuries, which were all most fraudulent in the cases which we brought to light; utterly untrue in every respect.

2360. What class of cases do those medical men take up?—They do not take up a very high class of cases; it is more cases where the injuries are of that character that it is almost impossible to see them, cases where there are no bruises.

2361. In what sort of position of life are the complainants generally?—The most I have had to do with have been licensed victuallers.

2362. Was that the case in the New Cross accident?—A great number were licensed victuallers.

2363. You think both the medical men and the attorneys go into those cases for the purpose of getting business?—Yes; I could not give you legal proof, but we know as well as possible the porters are in the pay of those attorneys, who come down immediately an accident happens; they are on the spot in an instant.

2364. Do they even make stipulations about their costs with the plaintiffs?—Yes; this discharged clerk of the attorney told me that in each case which the attorney brought before the court, he had made a stipulation with the plaintiff that he was to receive 100*l.* out of the costs; I can only give it on the authority of this man.

2365. According to the Lands Clauses Consolidation Act, there is a power of tendering a certain amount?—That is in the case of claims for land compensation: the person who has a claim on the company sends in a claim, which he makes against the company. If the company dispute that, it may go to arbitration or a jury. There is a provision in the 34th section with regard to an arbitrator, and in the 51st section with regard to juries, that if the amount obtained by the claimant is only equal to or under the amount tendered by the company, in that case half the costs of the arbitration, or of the jury, shall be paid by the claimant, and the other half by the company, and each party is to pay his own costs.

2366. Do you think some clause to that effect would be desirable in respect to compensation for accidents?—Yes; I cannot illustrate it better than this; suppose a man is injured in a railway collision, and he has a bruise over his eye, it is a moral certainty that the jury will give him over 10*l.*, he knows that perfectly well. In an accident like the New Cross accident, he knows we shall not dispute the liability, and he then can demand 1,000*l.* or 5,000*l.*; he knows that the liability not being disputed, the company is certain to pay the costs eventually, and he can bring forward any claim, knowing that his costs will be eventually borne by the company. In my opinion it would be a fair thing if the claims in respect of compensation for accidents were put on the same basis as claims for compensation for land. A man has a claim on the company for unliquidated damages; he knows what that claim is, and he can make his claim; and further, the man should be bound to make the claim on the company within a certain time; I would not bind him to too short a time; he should have a sufficient time to enable him to find out the extent of his injuries, and then he should be required to make a claim on the company, very much in the nature of the particulars delivered in an action. Then the company, if they could not dispute their liability, would be at liberty to tender a sum which they considered was a fair sum. I would suggest that the sum should be kept a secret from the jury, and that the offer should be made entirely without prejudice on both sides, and if the jury found a smaller sum, or a sum equal to the sum that was tendered by the company, the plaintiff should be called upon to pay his own costs for substantiating that claim, because the company were ready in the first instance to give that amount.

2367. Would you give costs against him?—The costs of his own side; the costs for substantiating a claim which was exaggerated.

2368. You would not make him pay the costs of the company?—No, I would not suggest that; but there would be cases in which it would be fair to make him pay the costs of the company. In one case, where a claim was made for 3,000*l.* against the company, a verdict was given by the jury for 10*l.*, simply because the jury found that there was fraud in the case. Our costs must have been 300*l.* to fight that case.

2369. To put your recommendation into a precise form, as I understood you just now, if the sum given by the jury was less than the sum tendered by the company, then the plaintiff should have to pay his own costs?—Yes.

2370. Then, as I understand you, you would go further than that, and, in some cases, you would make it incumbent upon him to pay the costs of the company; will you define the cases in which you would make it incumbent on him to pay the costs of the company?—I am hardly prepared to say that I would recommend such a thing as that; I would say, if the company offered a certain sum, and he did not obtain half what was offered by the company, which would be generally on account of fraud, it might be a question how far he should be called upon to pay the costs which the company were put to in defending their position?—I have known a case where a claim for 5,000*l.* was made, and a verdict was given for 300*l.*, and it cost us 400*l.* to fight that case. Of course, we are obliged to bring forward our case with the very greatest care, when such a heavy claim is made, if we suspect there is any fraud in it.

2371. Do you think the effect of such a provision would be to diminish exorbitant claims?—It would diminish exorbitant claims on the one hand,

hand, and on the other hand the company would wish in all cases to tender what was, in their opinion, a fair and liberal compensation to the plaintiff.

2372. There would not be any difficulty in preventing the jury from being acquainted with this offer made without prejudice?—I do not anticipate any difficulty in that respect. The judges would not permit it.

2373. It would be contrary to the rules of practice; no counsel would do it?—No.

2374. Sir *H. Sewin-Ibbetson.*] Is not it the practice for some of those large claims to be made larger at first in consequence of the belief that the company will offer a smaller amount, and that the result will be the two parties meeting half-way?—I think in some cases it may be said to be so, but not in all.

2375. A man perhaps may think he is entitled to 100*l.*, but he asks 200*l.*; probably the company, then, offers 50*l.*, and eventually agrees to give 100*l.*?—The claim that the claimants put in the declaration is generally a very large sum indeed. I ask them the lowest sum they will take, and very often that is a tenth of the sum in the declaration.

2376. You stated that in your opinion the claims on the company should be made within a limited time; do not you think that cases of shock to the nervous system originating in an accident, are not often developed, say, within a year, or two years?—I am not a medical man, and I should not like to give an opinion on that subject; but I have often spoken to medical men, and I believe there are such cases; but in a very great majority of cases, if there are serious injuries, there are serious symptoms immediately following.

2377. Would it not meet the views of the companies if people who were injured in an accident, or thought they were likely to suffer injury eventually, gave notice of their intention of claiming damages supposing any injury resulted to them?—I think they should do so.

2378. Having the power of bringing an action afterwards?—Yes; a claim has just come in in respect of the accident in the Clayton tunnel nine years ago.

2379. Mr. *Reed.*] In the case of an accident like that, could not you take the names of all the persons in the train at the time of the accident?—That would be utterly impossible. We did as much as we could at the New Cross accident in the way of taking down the names of those who were in the train, but we could not insist that people had not been in the train merely because we had not got down their names; though there were 600 people in the train at the New Cross accident, we only got about 100 names.

2380. Would not it be in the interest of the railway companies to allow a considerable time for the making of claims?—I think it would tell fairly both ways, because some people might get much better, and possibly others might get worse.

2381. Mr. *Sherriff.*] You think that notice should be given by any person who has been injured, though he may not bring his action at the time, in order that you may have an opportunity at the time of ascertaining whether he was in the train or not?—Yes, and also sending our medical attendants to see him.

2382. Mr. *Reed.*] You said you had a case before a jury where the claim having been 3,000*l.*, the jury brought it down to 50*l.*?—To 10*l.*, because they could not have done otherwise; the fraud was too gross.

2383. Wherever there was evidence of extortion or simulation, the judge would detect it, and direct the jury accordingly, would he not?—The cases do not always come before the judges; there are so many cases where the company does not care to fight the cases in the superior courts, and they let the judgment go by default, and then a writ of inquiry is executed by the sheriff, and he has not the same power to direct the jury as the judge has.

2384. The sheriff would be as good an authority as the county court judge in such a case?—I am hardly prepared to say whether he would or not.

2385. Do you object to juries altogether?—I object to juries without you can show fraud; I think they are very apt to lean to the side of the plaintiff.

2386. Sir *H. Selwin-Ibbetson.*] What would you think of a tribunal such as has been suggested to take the place of the present jury, namely, an official from the Board of Trade, with a medical assessor, and if necessary a legal assessor, who should make a public inquiry into the accident at the time, the medical assessor taking as much cognisance as possible of the cases of injury; and that that court should be the court before whom all cases with regard to that accident, and all claims for damages with respect to it, should be heard?—I think it would operate very much to the benefit of both parties; it would stop a great deal of fraud, no doubt, because if the same judge and jury were to try all the cases connected with the one accident, they would see the fraud if there were any. If in the first case the attorney and the doctor had got together, and had brought forward a lot of cases, supporting them by fraud, and if the jury found that out in the first case, they would go more carefully into the other cases. In a case where it was agreed to try several cases by one jury, the jury saw through the fraud in the first case, and they found against all the other plaintiffs, because they found the same fraud permeating through the other cases.

2387. The evidence would probably be the same in all the other cases?—No; if there had been another jury, they would have been able to keep a great deal of it back, and we should not have had the advantage of the jury having the first case in their minds. The first case happened to be the most fraudulent, and they found it out.

2388. Mr. *Denison.*] Have the costs in respect of the New Cross accident been very heavy, taking all the cases?—They have been very heavy, though we have spent an enormous sum of money in costs. I believe the line we adopted of litigating an enormous number of those cases, has been beneficial to the company, and will save it an enormous sum of money.

2389. If a court of arbitration had been in existence, would not it have saved you an enormous sum of money in costs?—Thousands of pounds.

2390. Both medical and legal?—Both medical and legal. The medical costs we find the heaviest of all.

2391. In fact, you have to try each case *de novo*?—In each case we have to start from the beginning, and go to the end of it.

2392. With

Mr. *F. Rose.*

4 July 1870.

2392. With very often the same witnesses?—Continually, the same witnesses.

2393. Have you had much experience of sheriffs' juries?—Yes; a good deal.

2394. As compared with other juries, what is your opinion of them?—I like a sheriff's jury better than a special jury at Nisi Prius.

2395. You have no objections to urge as to the manner in which sheriffs' juries are summoned?—I have not gone into that point.

2396. Is not it the fact that the same individual serves over and over again?—Yes; the sheriff gets to know a lot of people in the district who will attend juries, and they get summoned over and over again; I often see the same faces.

2397. They get paid a guinea per day?—Yes, for they are mostly good juries, which is the term used for special juries in the Sheriff's Court.

2398. They make a regular business of it?—Yes.

2399. Mr. *Reed.*] That applies to all cases of compensation other than railways, does it not?—Yes, all trials before the sheriff.

2400. Mr. *Denison.*] Is it the fact that plaintiffs do not get anything like the sums awarded to them?—That is a most common thing. We have been punished very heavily, but the plaintiffs equally have been punished heavily; the only persons who have got anything have been the doctor and the lawyer. When there has been a verdict for 100 *l.* there has been nothing for the man.

2401. The costs have more than eaten up the compensation?—Yes.

2402. It is in those particular cases in which the costs exceed the amount of the compensation given, that the railway companies are worst used, and the plaintiffs are worst used too?—Yes.

Mr. Henry Blackmore, called in; and Examined.

Mr. *H. Blackmore.*

2403. *Chairman.*] What is your employment?—Passenger Superintendent on the Lancashire and Yorkshire Railway.

2404. The Lancashire and Yorkshire runs from Leeds to Liverpool?—Yes, and from Manchaster to Fleetwood.

2405. Have you had any experience of the continuous break system?—Yes.

2406. What is your opinion upon it?—I consider it a very good system.

2407. Is it in operation throughout the whole length of your line?—Throughout the whole length.

2408. Is the break much more effective than the ordinary break which exists on other lines of railway?—There is double and treble the power; in some cases the whole of our carriages are provided with the continuous break.

2409. A break upon every carriage?—Yes, generally; ours are coupled together in sections.

2410. Is there any difficulty in working the continuous break?—Not the slightest.

2411. Do you use it upon every stoppage, or only upon special occasions when you want to stop particularly quickly?—We use it for ordinary purposes; we use it at every station.

2412. Are you able to stop much more sharply than the trains on other lines?—We can do so if desirable.

2413. Do you do so usually?—When we have occasion to pull up quick.

2414. Do you find any evils arising from it?—Not the slightest; a great deal of benefit.

2415. Sir *H. Selwin-Ibbetson.*] What are the gradients on your line; they are severe on parts of the Lancashire and Yorkshire, are not they?—They are on some parts of the Lancashire and Yorkshire severe.

2416. By the common break power you would hardly be able to have control over the train?—No.

2417. Do you find any difficulty in working the break power from the break wearing out unevenly?—We have two sets in operation; in one set we have not any difficulty.

2418. No difficulty at all?—No difficulty whatever; it requires no adjusting.

2419. You would agree with a witness who has stated that, from the application of the break being less violent, it does not wear out so soon as the ordinary old-fashioned break?—I believe it does not; but it depends on the quality of the wood employed for the break.

2420. That is to say, there is a continuous break which can be adopted, where you would get the advantage of economy in its not wearing out so soon, and greater power?—I believe so.

2421. On your line have you to break up your trains very frequently?—Very often.

2422. Do you see any difficulty in applying continuous breaks when you have to break up trains frequently?—We put on our breaks accordingly; we break them up in sections to answer for the various branches we branch off to.

2423. Does the adoption of the system at all diminish the accommodation in your train by obliging you to have a greater number of break carriages?—Not at all.

2424. That is not necessary?—No; there are sections where we run loose carriages; we have no breaks to those.

2425. The continuous break is a great advantage, is it not, in cases of accident, where an accident happens to any carriage in the front of the train, by preventing other carriages running over it?—Yes.

2426. It also is a great safeguard to the public, from its increased power, by enabling the engine drivers on foggy days, or when they have not observed from carelessness or otherwise the danger signal and run past it, to pull up when they see an obstruction on the line itself?—Yes; we either pull the train up, or break the train asunder. At present the continuous breaks are under the guards' control solely, but I recommend that they be put under the control of the drivers as well.

2427. Which would be utterly impossible with the present break, in such a distance?—It could not be done.

2428. On the Lancashire and Yorkshire Railway, are there any parts of the line on which you use the block system?—In short distances where the traffic is heavy.

2429. Have you found in working that system that it is a protection against accident?—I have.

2430. You find no difficulty in working the block system on those portions of your line on which it is adopted?—Not at all.

2431. Can you state any reason why it should not

not be applied generally to the line?—Not at all.

2432-3. You think it would be equally applicable to the other parts of your line as it is to the parts where the trains are frequent? — Yes; giving longer distances for the spaces.

2434. It would be simply a question of a little additional expense at first in creating the stations and the staff?—That is the only point.

2435. What amount of traffic is there on your line?—Very large; we carried nearly 900,000 passengers in Whitsun week.

2436. You find no difficulty whatever in applying the block system to your line?—We have the block system on the most crowded part where there are trains every three minutes; we find no difficulty whatever in working it.

2437. You see no objection to applying it to longer distances where stations would have to be more distant?—It is only a question of expense.

2438. It materially increases the safety of the public?—I believe so.

2439. Do you see any objection to it on the ground that it very much diminishes the feeling of responsibility on the part of the servants of the company; that an engine driver is apt to trust entirely to the block system, and therefore not to exercise the same amount of caution he would do under the old system?—I see no objection on that score.

2440. You have not found any cases of that sort?—Only once; before we adopted it we certainly had no accident; but just after we established the block system a driver disregarded the block he came to, and he ran past and caused a slight accident.

2441. You have not had any recurrence of that after the servants of the company had got experience in the working of the block system?—We have not.

2442. Can you tell the Committee how long you have adopted the block system upon your line?—Not more than two or three years.

2443. A sufficient time to have tested its working power?—We are about to extend it on two or three of the more crowded parts of the line.

2444. You have had it in operation a sufficient time to ascertain with certainty almost that it does diminish the possibility of accidents?—I believe so.

2445. And, therefore, is a great safeguard to the public?—Yes.

2446. Would you see any objection to being obliged to apply it generally to the line, apart from the question of expense?—I would not.

2447. If it protects the public on the crowded parts of your line, it would be a great safety to the public on the whole of your line?—I believe so.

2448. Mr. *Winn.*] Are there sharp curves on the Lancashire and Yorkshire?—We have sharp curves, and very heavy gradients.

2449. And you see no objection to the continuous break system on the parts of the line where those sharp curves exist?—Not the slightest. We have them on all our heavy gradients. We have them on every set of carriages that runs out of the stations over the whole system.

2450. Do you apply them on the trains to Normanton?—Yes.

2451. The traffic at Normanton is enormous?—Yes, it is very heavy, but it is more so in Lancashire, Accrington, and Liverpool, and those parts.

2452. As to facing points; we have had evidence before the Committee that there are a great many places in the kingdom on different lines where facing points exist without signals to them. Have you any facing points upon your line that are not protected by signals?—We have signals or indicators to show the engine driver where facing points are.

2453. Is not it possible to avoid having facing points altogether; is not there a way of putting in junctions in such a way as to avoid the points of crossing facing an approaching train?—It is possible to be done, but it causes a great deal of delay and increases danger.

2454. What is the objection to it?—You would have to draw up and back your train before you could get into the right road, and so cause delay and danger.

2455. You think there would be a practical difficulty in adopting it?—Yes; there is no danger in facing points where you have the locking apparatus.

2456. Wherever there are facing points, you think the locking apparatus ought to be adopted?—I do, on the main line.

2457. Mr. *Denison.*] How many breaks have you in an ordinary passenger train; say a train of 15 or 16 carriages?—In a train of 15 or 16 carriages we should have six carriages coupled with two sets of breaks.

2458. Sir *H. Selwin-Ibbetson.*] One in the front, and one at the back?—Yes.

2459. Mr. *Denison.*] What proportion of your rolling stock is fitted with break power?—I cannot say; a very fair proportion. We have sufficient carriages, fitted with break power, to work all our trains with one set or two sets. If it is a double train we have two sets; if it is a single train, one set.

2460. You mentioned that there were two kinds of breaks; one that never got out of order, and another of an inferior description?—We have two sets; one Newall's and the other Fay's; Fay's breaks require no adjusting till the breaks are worn out; the others require adjusting.

2461-2. Is there any tendency in the break to get out of order for want of use?—We have had no complaints on that score.

2463. You have said that there would be no difficulty in extending the block system all over your line; is there no fear of signals which are not constantly in use being forgotten, and the signal men making mistakes?—I think not if there is a man appointed for that purpose, and every man does his duty.

2464. The evidence that has been given to us, is this, that in crowded parts of the line where the traffic is very thick, and those signals are in almost momentary use, they afford the greatest possible safety; but it is urged that if they were extended all over the lines at intervals, say of five miles where the trains are not very frequent, there would be danger of the signal man forgetting the signals?—I do not anticipate that such a thing would occur. We have them at most of our stations at present all over the line; they are not five miles asunder. When a station is occupied, the distant signals are put on.

2465. Do you think the introduction or extension of those mechanical improvements might safely be left to the companies themselves, or do

Mr. *H. Blackmore.*
4 July 1870.

you think it advisable for the Board of Trade to have the power of enforcing them?—I think it may be fairly left to the companies themselves. Our company do not hesitate to adopt anything that is suggested that would be an improvement or that would afford greater safety to the public.

2466. Have you ever had occasion to dispute recommendations made by the inspectors of the Board of Trade?—No; I have not.

2467. Do you, as a rule, give immediate attention to the recommendations emanating from the inspectors?—Anything that is feasible to be carried out; we generally discuss those things over when they come down to investigate any accidents.

2468. Mr. *Winn.*] Have you known anything proposed by them that was not feasible to be carried out?—I cannot say that I have, as far as my experience goes.

2469. Mr. *Sherriff.*] Is it not the case that when a driver knows that he has this additional break power on his train he presumes a little on it and runs faster than he would have done if the ordinary break power had been applied?—At the commencement of the application of the continuous break system to our line we found it to be the case, but we have had no experience of that sort lately.

2470. It was so at the beginning?—Yes.

2471. You have had accidents on the line from collisions even since you used these continuous breaks?—We have had some.

2472. You say one break is self-adjusting, and therefore not liable to get out of order; knowing what you do, that one is a good break and the other is not so good, you still retain both; I say both are good breaks as far as power is concerned, but the question was as to self-adjusting, and in that respect one is preferable to the other?—Yes we do; one is retained on the East Lancashire section, and the other is retained on the Lancashire and Yorkshire section.

2473. Newall and Fay, if I recollect rightly were both officers of the Lancashire and Yorkshire Company?—And they are at present.

2474. I mean they were when the breaks were introduced?—They were; they were two very good breaks, no doubt, and the company did not hesitate to employ them both.

2475. Are all your facing points through the entire Lancashire and Yorkshire system locked?—No, they are not; but, if my memory serves me right, the board has passed an order that at all new junctions, in all new works, the facing points are to be locked.

2476. The principle of locked points is that the signals shall indicate whether the point is open or shut?—Yes.

2477. And they cannot move the one without moving the other?—No, neither can they move the point in a contrary direction.

2478. So that there is not any doubt in your mind, as a practical man, and with your experience, that locked points are really a beneficial thing?—No.

2479. Sir *H. Selwin-Ibbetson.*] Are you aware that the inspectors of the Board of Trade are constantly recommending the adoption of the system of locking points?—Yes.

2480. Have any of those recommendations been made to your company?—Yes; we are just carrying out one now. In an inquiry which Captain Tyler held, he recommended some facing points to be locked, and we have put them in.

2481. There are points on your line still which are not locked?—Yes.

2482. Would not it be advisable that the locking of facing points should be generally adopted throughout all lines, if it is such a safeguard?—I believe it to be a good thing.

2483. Rather than wait till an accident occurs, you think they ought to be universally adopted?—It is a question of expense.

2484. The public, in the matter of safety, would benefit by the adoption of them generally?—I believe that it would be better if all those facing points were locked.

2485. You are extending the lock system?—Yes.

Mr. John Peake Knight, called in; and Examined.

Mr. *J.P.Knight.*

2486. *Chairman.*] You are General Manager of the London, Brighton, and South Coast Railway?—Yes.

2487. You had something to do with the origin of the block system?—Yes. Previous to joining the Brighton Railway, I was, for a period of 16 or 17 years, traffic superintendent of the South Eastern Railway. I found when I joined the South Eastern Railway they had a crude system of signalling trains by a telegraph bell between station and station, an arrangement of rather a simple and primitive character, widely different from the block system of the present day; this was about 17 years ago. The gentleman who invented it, and who may claim to be the originator, was Mr. Walker, the electrical engineer of the South Eastern Railway; he adopted this arrangement for some of the lines within a certain distance of London; that is to say, on the Metropolitan section of the South Eastern Railway, embracing an area of perhaps 10 or 15 miles. It was introduced merely as an experiment, not being altogether believed in at that time as an arrangement to be carried out generally. It was introduced perhaps as much as anything to give information as to the whereabouts of the trains.

2488. Has it answered very well?—It has answered very well.

2489. Is it in operation on your line?—Not throughout the line, but upon a large section of it.

2490. You have found it most valuable upon the parts of the line where the traffic is most dense?—Yes; there are some portions of the line, that is to say the open districts in the country, and near the coast where we have not many trains; there you may very well do without it.

2491. Do you think it better in any case to do without it, because we have had evidence to the effect that where the traffic is not great upon a line, there is some risk of the signalmen neglecting the signals, when their attention is not being constantly directed to them so as to make the block system a cause of danger rather than a cause of safety?—No, that is not my opinion; you may do without it upon certain parts of the line where the traffic is very small, but even if you have it there, it is an auxiliary, which is useful

useful in working the traffic; as, for instance, for the purposes of record and for keeping the men to their duty.

2492. Would you have it on a small remote line where there are only half a dozen trains in the course of the day?—That would depend upon the character of the line.

2493. You would not lay it down as an absolute rule, that it should be adopted in all cases?—No, I would not lay it down that it should be adopted as a matter of necessity on a short line in an open country.

2494. Have you any knowledge of the extent to which it is in operation at the present time throughout the country?—No, I cannot say what proportion of the mileage of the United Kingdom has the block system; but I should think a considerable proportion.

2495. Is it extending?—It is gradually extending.

2496. Do you think it better to leave the extension of it to the discretion of the railway directors, or to give the Board of Trade power to enforce the extension of it?—I think that it should be left to the railway directors, for this reason: there are many places where the sudden introduction of the block system would be attended with risk; the companies have a large number of men who have been accustomed to the original system of working traffic, and it takes time to educate them to a new system. I should, therefore, be of opinion, that the gradual introduction of the system would be very much better than any compulsory power upon the railways to carry it out at a short notice.

2497. Sir *H. Selwin-Ibbetson.*] You state that it is not a necessity, though it is an advantage upon lines where there is not a great amount of traffic, but is not there, to a certain extent, an advantage also, in having one system throughout a line?—Yes, I admit that a uniformity of system is very desirable.

2498. If the system of working on all parts of the line were the same it would probably lead to fewer mistakes?—Yes.

2499. You see no disadvantage which would result from the introduction of the system, even on those parts of the line where you say that there is not an absolute necessity for its introduction?—Certainly not; I am quite in favour of having the block system everywhere, but upon portions of the railway, where from the nature of the line there is not a real necessity for it, you can work safely without it.

2500. You stated that you were not aware of the exact amount of mileage upon which the block system is in operation; we have it in evidence before the Committee, that it is about 2,500, out of the 12,000 or 13,000 miles in the country?—I should have thought that it would have been a little more. I am aware that of late it has been much extended.

2501. Whilst you do not think that it should be introduced suddenly on all lines, you think that it might be beneficially adopted on all within a short period?—It would certainly be an advantage to have it extended; but at the same time I think that it should be left to the railway companies to carry it out themselves. In our case we are applying it gradually to all parts of our system. We have commenced with the portions of the line which we consider require the greatest care in working; where there are tunnels, and where the traffic is considerable; it would be a very serious and inconvenient cost to us to carry it out everywhere all at once, but I have no doubt that in the course of time we shall have it on all parts of the Brighton system, both in the country and London districts.

2502. You do not think it advisable that there should be any power in the Board of Trade to enforce it upon lines which were not so willing to adopt improvements as you are, and who refused, notwithstanding its advantages, to adopt it at all?—I think that it should be left to the companies themselves; there is every appearance that all lines will eventually adopt it. I am of opinion that the block system will be generally adopted in course of time. Several companies who were once strongly against it, are now carrying it out.

2503. At present there are 26 lines on which it is not adopted?—Many of those, I take it, are insignificant lines as regards passenger traffic; they no doubt comprise some of the Welsh railways and also northern railways, which convey only mineral traffic.

2504. On 12 of the principal lines in the country, are you aware that it is only applied in the proportion of one-sixth of their mileage?—I am aware that it is only applied to a limited extent on some of the principal lines; but I am given to understand that they are gradually applying it to the other parts of their system.

2505. You think, though it is evidently a material security to the public in the way of protection against accident, there is no necessity to press it upon companies who do not adopt it?—Yes; I am of that opinion. I think that it would be much better for several reasons to allow it to come into gradual use.

2506. Have you any experience with regard to the subject upon which the last witness gave evidence, namely, continuous breaks?—Yes.

2507. Have you used them at all upon your line?—I am not aware that we have had them on the Brighton Line; I think not. I have had experience of them on the South Eastern Line.

2508. Did you use them constantly?—We used them for several years; we had, some years ago, several suburban trains working with them, and our opinion was that, although continuous breaks had their advantages, at the same time they had their disadvantages.

2509. You would not deny that a continuous break applied to a train gives greater power to the people in charge of that train, both for arresting the train in case of accident, and also preventing such an accident as carriages overrunning each other?—Yes; I admit that the more break power you have on a train running at great speed, the better it is.

2510. In the case of one train coming too close to another from disregard of signals, it is an immense advantage to have sufficient break power, not only to check the speed of the train, but principally to arrest it before a collision could take place?—Certainly.

2511. A power which you would not possess under the old system of breaks?—The train service in our southern districts, of which I have a more daily acquaintance, consists, so far as I know, of adequate break power, though the southern companies do not use continuous breaks,

Mr. *J. P. Knight.*

4 July 1870.

still the trains have a proper proportion of the ordinary breaks, that is to say, a proper proportion for the number of vehicles in each train.

2512. Would those breaks which you say are a proper proportion in a train, arrest a train within the same space as the continuous breaks would if applied to that train?—Yes; assuming of course that you have the guards for the breaks, I will take a train, say of 18 or 20 vehicles, you would have three or four guards, three guards would be the minimum for 20 vehicles on our line; I should for my own part rather trust to a train of that weight with three or four ordinary breaks, and the same number of guards, than to a heavy train made up of continuous breaks with only one guard.

2513. A train made up as you say of three or four breaks, with the same number of guards, implies that there are a certain number of break carriages in it?—Quite so.

2514. To that extent, the same objection raised by the honourable Member for the West Riding of Yorkshire, as applying to continuous breaks, that you would lose accommodation in the train, because you would have to increase the number of break carriages, would apply to your system of single breaks; you would have a certain number, and therefore would diminish your carrying power in the train?—I do not think that the carrying space need be much reduced; for you may have in the case of ordinary breaks, break passenger carriages and not luggage break vans, so that your accommodation for passengers in the train is really not reduced to any serious extent.

2515. Cannot you apply the continuous breaks to the passenger carriages in the same way as to break vans?—Yes.

2516. Therefore the accommodation need not be diminished any more with the continuous break than with the ordinary break?—No; but there would be great inconvenience, in my opinion, in having continuous breaks upon main-line trains, consisting of sets of carriages running through to various places; there would be much time lost at the various junctions in attaching and detaching, and, at the same time, I think some risk; for whenever there is complication there is, of necessity, some risk in case of a something being omitted. The simpler you have a train in its formation and working, the better. With regard to the continuous breaks which we had on the South Eastern Railway, an honourable Member has just now reminded me of one reason why we gave them up, namely, that we found that the firemen were in the habit of trusting too much to the continuous break, and that they neglected their own tender-break, and the result was, in one or two instances, we very nearly had a collision; and so impressed was I at the time with the risk attending the working of the continuous breaks we had then in use, that I recommended Mr. Eborall, the general manager of the South Eastern, to give them up.

2517. Are you aware, at the same time, that the previous witness has stated that on one of the lines carrying the greatest amount of traffic in the country, they have found none of the objections to continuous breaks which you have stated?—I have heard his evidence; that may be so; there may have been some improvements since the time I am speaking of; but no doubt even now the fireman may trust too much to the guard's continuous break, and too little to his own.

2518. Mr. *Winn.*] Are there any facing points on your line unprotected by signals?—None.

2519. Do you think in all cases where facing points exist the locking system ought to be adopted?—I think so.

2520. On your line is the locking system adopted?—The locking system is in very general use on our line. The firm who introduced the locking system, Saxby and Farmer, were originally in the service of the company. Mr. Saxby was formerly a skilled workman in the Brighton Company's shops, and consequently we had the advantage of an early introduction of the locking system upon our line.

2521. You have continued to adopt it?—Yes.

2522. Is not there a way of putting in the points, so as to avoid facing points altogether?—It would involve shunting, which, in many cases, would be more dangerous than encountering the facing points. You would have to shunt back to get on the other line. It would, in many cases, involve a greater risk than having the facing points themselves.

2523. Mr. *Denison.*] What is the ordinary establishment at a road-side station on your line?—A clerk in charge, two porters, and a boy.

2524. The proposal is that the block system should be introduced on all lines at every station; at a road-side station, where ordinarily there is a clerk in charge, two porters, and a boy, the introduction of the necessary signal would necessitate the employment of how many men?—At some places perhaps one, at others two; assuming it to be only a day station one might do; if the station was open day and night it would probably require two. At other places it might require three, if the traffic at the place was considerable, and for the thing to be done efficiently. I may mention that between London and Brighton, in a distance of 50 miles, we have 48 signal stations, that is, including traffic stations and intermediate block stations, and we have about 140 signal men and boys, giving nearly a signal station for every mile, and nearly three men for every mile.

2525. You were one of the original inventors of this block system, were you not?—Yes; I was one of several who introduced the system many years ago, I did not, however, absolutely invent it, but I improved upon it. I found a signalling arrangement of a somewhat experimental kind in work, which we gradually developed, and perfected, and eventually carried out as the present block system.

2526. Have you known instances of danger or accident arising from neglect of the signals on the block system?—Yes, I have known several serious accidents occur from working on the block system; but that has been from inattention or neglect of the signalman, or other servant, and not from the system itself.

2527. That signalman having no other work but to attend to the signal?—Yes, the signalman having nothing more to do than to attend to the signal. On the South Eastern a collision occurred several years ago from that cause between a goods train and a passenger train, and at a part of the line where the block system was in operation. One of the trains stopped in a tunnel; the signalman forgot it was in the tunnel and he gave "clear"

"clear" to the other end, and the other train ran into it.

2528. Do you find that the multiplication of signals tends to make the drivers rely more on the signals than on their own acuteness?—You may have too many signals; the less signals you can work a line with the better; but the signalling of railway traffic has become so much a system at the present day, that every driver is educated to it; he does not qualify for a driver till he has passed a certain time as fireman, and during that time he must have acquired a perfect knowledge of the whole of the signals upon the line.

2529. Do you find occasionally that your engine drivers and firemen neglect the signals?—We have occasionally had such instances, and that too, where the block system is in force, they have made a mistake and run past the signals; in some instances this has been owing to not having the train under proper command, and at other times to a bad look out, and to other causes. In the New Cross accident, for example, the driver ran past three conspicuous glaring "Stop" signals.

Mr. *J. P. Knight.* 4 July 1870.

2530. Block signalling was not responsible for that accident?—No, it was due to other causes.

LIST OF APPENDIX.

Appendix, No. 1.

Papers handed in by Captain Tyler, 27 June 1870:— PAGE

Circular Letter from the Board of Trade, dated 19 May 1869 - - - - - 181

Inspectors' Reports on certain Accidents which occurred during the last Half Year of 1868 - - - - - - - - - - - - - - - - - 182

Replies by Railway Companies to Circular of the Board of Trade, of the 19th May 1869, relative to the Block Telegraph System of working Railway Trains - - 184

Appendix, No. 2.

Paper referred to by Mr. Blenkinsop:—

London and North Western Railway:

Return No. 1.—Number of Accidents, Amount of Compensation, and Number of Persons Killed and Injured during 1868 and 1869 - - - - - - - 193

Returns Nos. 2 and 3.—Number of Persons to whom Compensation has been paid during the Two Years ending 31st December 1869, and the Amount so paid between the Sums named - - - - - - - - - - - - - 194

Return No. 4.—Number of Servants Killed and Injured - - - - - - 195

REFORM CLUB
PALL MALL

APPENDIX.

Appendix, No. 1.

PAPERS handed in by Captain *Tyler*, 27 June 1870.

CIRCULAR.

Board of Trade (Railway Department), London, S.W.,
19 May 1869.

Sir,

I AM directed by the Board of Trade to forward, for the consideration of your directors, the Reports of the inspecting officers of the Board of Trade upon the accidents which occurred during the last half of the year 1868, and to request their careful consideration to the extracts therefrom, which are collected in a separate paper sent herewith, having reference to the use of what is known as the Block Telegraph system.

Your directors will perceive from these extracts that the railway inspectors report that many of the accidents which occurred through collision, some of them attended with most disastrous loss of life and property, might have been avoided had the block system been in use, and that they are unanimously of opinion that this system should now be generally applied.

I am further directed to remind your directors that in the year 1861 the Board of Trade addressed a circular letter to the railway companies on the subject of the collision in the Clayton tunnel of the London, Brighton, and South Coast Railway, recommending to them the use of the telegraph as the surest means of avoiding such lamentable collisions. The experience of subsequent years has strongly confirmed the opinion then expressed; but although the block telegraph system has been applied by several companies either wholly or in part to their lines, and especially by the Metropolitan Railway Companies, with the best possible result, it cannot as yet be said to be in general use.

3.

Although the Board of Trade have, with rare exceptions, refrained from interfering with railway companies, or even advising them, as to the regulation of their traffic and the management of their business, being unwilling to diminish the responsibility which rests upon directors to conduct their traffic in the safest and most efficient manner, yet, having regard to the experience of the last few years, to the great proportion of accidents which occur through collisions, and to the repeated expressions of opinion from the inspectors that such accidents, or many of them, might have been avoided by the adoption of the block system, they think it again their duty, in the interest of the public, to call the most serious attention of your directors to this subject. They are of opinion that, in view of the considerations already stated, a grave responsibility will rest upon railway directors if, without sufficient reason, they refrain from adopting this system.

I am directed, therefore, to ask from your directors, at their earliest convenience, a statement showing over what portion, if any, of their line the block system is not now in use, and the reasons which actuate them in refraining from the adoption of a system which has on other lines been attended with so much advantage to the public.

It will, of course, be understood that the foregoing observations do not apply to cases in which a railway is worked with only a single engine in steam at any one time.

I am, &c.
(signed) *G. Shaw Lefevre.*

Appendix, No. 1.

ACCIDENTS WHICH MIGHT HAVE BEEN PREVENTED IF THE BLOCK SYSTEM HAD BEEN ESTABLISHED.

Inspectors' Reports on certain Accidents which occurred during the last Half-year of 1868.

Extract from Captain *Tyler*'s Report of 27th November, on the Collision on the Great Western Railway (South Wales Section), near Newnham, on the 5th November.

"The principal object in view should, however, be to prevent the collisions from occurring rather than to enable the drivers to sustain such collisions from a position of greater safety. And looking at the subject in this light, the more important lesson which the present, in common with the more fatal accident at Abergele, and with many other previous cases of collision, tends to enforce, is the necessity for a more extensive use of the telegraph for ensuring a clear course, and a line safe from dangers and obstructions in the path of these fast trains. A mere interval of *time*, whether it be 10 minutes or 20 minutes, or any other given quantity, affords no true margin of safety between goods trains, the progress of which is uncertain, which consume more or less time in shunting, and the servants in charge of which are placed in straits and difficulties that lead them to run almost unavoidable risks in many cases, and fast passenger or mail trains which may or may not be late, and which run at nearly the same speed, whether the atmosphere be clear or foggy, and whether the line be straight or the view obstructed by curves and cuttings, bridges or tunnels. An interval of *space* is the only true remedy for such a state of things, and it matters not what the distance between the trains may be, whether four miles or two miles, or half a mile, so long as it is strictly preserved. On certain railways in this country trains are continually following one another in quick succession at half-mile intervals from year to year, under what is called the 'block system' of working by telegraph, with comparative safety, while on others continual risk is incurred for want of an extension of the telegraph system, although with more perfect arrangements a sufficient interval of space might without difficulty be secured.

"In this particular instance an interval of time of no less than 22 minutes proved to be of no avail. A powerful engine was unequal, in a slippery condition of the rails, to the task imposed upon it. A too heavy goods and cattle train could not be propelled at sufficient speed to keep it out of the way of a following mail train, but travelled too fast to admit of the guard's dropping off and providing for its protection, and at a speed greater than that—six miles an hour—at which he was required by his regulations to take such a precaution. On a curve, which was not sharp, but on which the view was obstructed, the three lamps, which burned brilliantly, as all admit, behind it, became practically useless. The engine-driver of the mail train, catching sight of it at a distance of 150 yards, had time to do no more than prepare to receive the shock in the best attitude into which he could hurriedly throw himself for his own safety, while travelling at a speed probably of 40 or 45 miles an hour; and the passengers in the mail train were only saved from serious consequences by the fact that the force of the collision was expended in the destruction of a portion of the cattle train and its unfortunate inmates.

"It is desirable that this section of the line should be protected from such an accident in future by the adoption of a block system of telegraph working between the Awre junction and Bullo Pill, which are only two miles apart, by day as well as by night, and no train being allowed to leave or pass the Awre junction until the preceding train has been announced by telegraph to have passed or been shunted out of the way at Bullo Pill, and *vice versâ*; and I would take the opportunity of adding that the same system may, with great advantage, be extended more especially over portions of this and other lines on which the view is obstructed, and with regard to trains which run at high rates of speed and do not make frequent stoppages."

Extract from Colonel *Rich*'s Report of 3rd October, on the Accident on the London and North Western Railway (Chester and Holyhead Section), near Abergele, on the 20th August.

"The block telegraph should be put strictly in force on the Abergele and Llandulas section, and on all other parts of the line that are in any way similar to it. If the block telegraph system had been in use and strictly carried out, this accident could not have occurred."

Extract from Colonel *Hutchinson*'s Report of 4th November, on the Collision on the London and North Western Railway, at the Holywell Station, on the 16th September.

"I would strongly urge upon the London and North Western Company the importance of establishing, in connection with the above-mentioned improvements they are about to carry out, the block telegraph system, so that an interval of *space*, far more valuable than one of *time*, may be maintained between their trains. Had it been in operation it might very possibly have prevented the present accident."

EXTRACT from Captain *Tyler*'s Report of 12th December on the Collision on the London and North Western Railway, at Hillhouse, on the 2nd December.

"The London and North Western Company should lose no time in providing, at Huddersfield and Hillhouse, improved and elevated cabins, from which the points and signals may be conveniently worked, with locking apparatus, and telegraph communication between the signalmen. And it is exceedingly desirable that this portion of the line should be worked on the 'block system,' so that no pretence should be made of keeping up intervals of time which cannot in practice be preserved between the engines and trains; and intervals of space, which may always, under proper arrangements, be maintained, should be substituted for them."

EXTRACT from Colonel *Yolland*'s Report of 15th January 1869, on the Collision on the London and North Western Railway, at Euxton Junction, on the 18th December 1868.

"I strongly advocate the introduction of the electric telegraph as a means of preserving an interval of space between two following trains on the same line; but this London and North Western system is neither one thing nor the other; the usual time interval has been reduced from five to three minutes, during which the signal is directed to be kept at danger; but the engine-drivers are taught to disregard these signals when thus at danger, and are told to go ahead. As carried out, it wants the security afforded by the absolute block system, and does not probably fall far short of the cost which the latter would require if it were adopted.

EXTRACT from Colonel *Yollond*'s Report of 29th January 1869, on the Collision on the London and North Western Railway, at Hyde Road, on the 29th December 1868.

"It is my duty to recommend, although with little expectation that the recommendation will be attended to, that this permissive block system be abandoned, and that where the telegraph is made use of in the working of traffic it should be for the purpose of preserving an interval of space between following trains, as adopted with complete success on the various metropolitan systems of railway and elsewhere.

"Very little additional cost would have to be incurred for its introduction between Manchester and Stockport. Two, or at most three, additional telegraph stations only would be required."

EXTRACT from Colonel *Rich*'s Report of 18th November 1868, on the Collision on the Manchester, Sheffield, and Lincolnshire Railway, at the Deep Car Station, on the 16th October.

"The block telegraph system should also be adopted."

EXTRACT from Colonel *Yolland*'s Report of 24th of November, on the Collision on the Midland Railway, at Wigston Junction, on the 31st October.

"The Midland Railway Company are working their traffic in the immediate vicinity of London, on their newly opened line to St. Pancras, with the assistance of the electric telegraph and on the block system, because, I am told, it is safer. It is, in my opinion, to be regretted, either that Parliament does not render the introduction of this system compulsory, or give the Board of Trade power to order its adoption when circumstances require it."

EXTRACT from Colonel *Yolland*'s Report of 4th January 1869, on the Collision on the North Eastern Railway, at the Arthington Station, on the 19th December 1868.

"If this section of the line had been worked with the assistance of the telegraph, and on the block system, this collision would not have occurred."

REPLIES, by Railway Companies, to Circular of the Board of Trade, of the 19th May 1869, relative to the Block Telegraph System of working Railway Trains.

RAILWAY COMPANY.	Total Length of Railway.	Length upon which the Block Telegraph System is used.	Observations (in reply) of the Directors, or their Reasons for refraining from the adoption of the Block Telegraph System.
ENGLAND AND WALES.	*Miles.*	*Miles.*	
Anglesey Central	18 single.	–	No reply has been received.
Aylesbury and Buckingham	12 single.	–	As only one engine in steam at a time is employed on the line, the block system is not at present applicable.
Bishop's Castle	10 single.	–	"The railway being worked with only a single engine in steam at any one time, the block telegraph system has not been adopted."
Blackpool and Lytham	8 single.	–	The line is worked with one engine only, and under no circumstances is more than one train run on the line at once.
Blythe and Tyne	27 double, 11 single.	–	"The block telegraph system is not in use on any portion of this railway," and "the directors are of opinion that its introduction is not necessary on this line as there are no express trains run on it; the stations are all in close proximity to each other, the greatest distance between any two of them being only 2½ miles, and several of them are within a mile of each other, and the trains are not frequent. No accident has ever occurred on any part of the line which would have been prevented by the block telegraph system."
Bodmin and Wadebridge	14 single.	–	This is principally a mineral line.
Brecon and Merthyr Tydfil	6 double, 54 single.	32	The portions of the company's single line between Brecon and Deri Junction and between Pontsticill Junction and Merthyr Tydfil are worked by the "block telegraph system." The portion of single line between Rhymney and Bassaleg Junction is worked by the "train staff and ticket system," sanctioned by the Board of Trade.
Bristol and Exeter	77 double, 58 single.	135	The block telegraph system has been adopted for some years and is in practical use over the whole of this company's lines, all its trains being worked on that system.
Bristol and Portishead Railway and Pier.	10 single.	10	"Block system in operation."
Bristol Port Railway and Pier	6 single.	–	This line is almost invariably worked with a single engine in steam at one time, but when there is occasion for working two engines the pilot board system is adopted.
Cambrian	9 double, 167 single.	–	No reply has been received.
Carmarthen and Cardigan	20	20	The line is worked by the block telegraph system in addition to the "train staff."
Carnarvonshire	16 double, 1 single.	–	Worked by London and North-Western Railway Company under their usual train staff regulations.
Cheshire Lines Committee	30 double, 4 single.	–	No reply has been received.

REPLIES, by Railway Companies, to Circular of the Board of Trade, of the 19th May 1869, &c.—*continued.*

RAILWAY COMPANY.	Total Length of Railway.	Length upon which the Block Telegraph System is used.	Observations (in Reply) of the Directors, or their Reasons for refraining from the Adoption of the Block Telegraph System.
	Miles.	*Miles.*	
Cockermouth, Keswick, and Penrith.	32 single.	–	The line is worked by the train staff. The greatest distance between any two stations is five miles; there are only 9 up and 10 down trains, and the traffic is very inconsiderable; the expense of adopting the block telegraph system would be out of all proportion to the earnings, as an additional wire would be required, additional instruments, and an additional man at each station.
Colne Valley and Halstead -	19 single.	–	"This company's trains are worked under the train staff regulations, the line being single, and the train service but small.
Cornwall - - - - -	4 double, 62 single.	62	The block telegraph system is in full operation on this railway.
Cowes and Newport - -	5 single.	–	"The block telegraph system is not used nor required; there is never more than one engine at work and never more than one in steam, and in no instance has there been two trains on the line at the same time."
Denbigh, Ruthen, and Corwen -	19 single.	–	"This railway is worked altogether by the train staff and ticket system."
Festiniog - - - - -	14 single.	—	
Furness - - - - - -	32 double, 56 single.	10	The block telegraph system is in use on those portions of the line where the trains were frequent, viz., between Furness Abbey and Ulverston, and Roose and Piel Pier. On other parts of the line the trains are so few that, in the opinion of the directors, the block telegraph is not required.
Great Eastern - - - -	414 double, 392 single.	36	The block telegraph system is in operation on various portions of the railway to the extent of 36 miles. The course followed has been to lay down the train telegraph on those portions of the line where the trains are numerous, and the attention of the directors will be given to extend its use as the circumstances of the traffic seem to demand it.
Great Northern - - - -	419 double, 109 single.	68	The block telegraph system is in operation between London and Hitchin, in the immediate neighbourhood of Peterborough station, generally through all the tunnels on the railway, from Grantham to junction with the Ambergate line, through the Doncaster yard; and on the railways of the company in the West Riding of Yorkshire, wherever the traffic on the line increases to such an extent at any particular place as to render the block system desirable, the directors will doubtless establish it. It is not at present the intention of the company to erect this block system of telegraph over the less thronged portion of their railway, many parts of which are through agricultural districts, where the traffic is very light, and the trains few and far between. But the directors will not neglect anything they consider essential for ensuring safety on their railway.
Great Western - - - -	846 double, 541 single.	368	"The Great Western Company have, as an experiment, adopted the block system on particular portions of their railway, and they have now under consideration the desirability of extending it to certain other portions, where owing to the extent of the traffic, or the nature of the gradients or curves, the working may be improved by its adoption, and they would be quite prepared from time to time to extend its use as may be found desirable." Of the 978 miles not worked on the block system 118 miles are worked on the "precautionary system," and on 72 miles the block telegraph is fixed, but not yet working.

REPLIES, by Railway Companies, to Circular of the Board of Trade, of the 19th May 1869, &c.—*continued.*

RAILWAY COMPANY.	Total Length of Railway.	Length upon which the Block Telegraph System is used.	Observations (in Reply) of the Directors, or their Reasons for refraining from the Adoption of the Block Telegraph System.
	Miles.	*Miles.*	
Hexham and Allendale - -	12	—	
Hoylake - - - - -	5	–	The reasons for not adopting the block telegraph system are, the short length of the railway, and that, with few exceptions, there is but one train used on the line.
Isle of Wight - - - - -	12 single.	–	No reply has been received.
Lancashire and Yorkshire -	386 double, 25 single.	26⅕	The system has already been adopted at certain points (altogether about 27 miles in length), and has been introduced from time to time as the circumstances affecting the traffic at these places appeared to the directors to make it desirable. The directors state, "that they have not failed to give very careful attention to the report of Colonel Yolland on the collision which took place between a passenger train and a goods train near the Salford Station, on the 28th of May last, in which Colonel Yolland reports that the collision would not have occurred if the traffic had been worked on the absolute block system." "They observe that that collision was not caused by any deficiency in the signal arrangements, but resulted from the driver of the passenger train having disregarded the danger signals, and it is obvious no system of signalling, block or otherwise, can prevent accidents of this kind, arising from the misconduct of engine-drivers. "On a careful consideration of the subject, and of the extracts from the reports of the inspecting officers of the Railway Department forwarded to them, the directors are of opinion that it is not desirable to adopt the block system generally on this railway, as they consider that such a proceeding would lead to much inconvenience and delay, without giving additional security to the working of the traffic, and they propose in future to keep themselves, as heretofore, well-informed as to any special circumstances affecting the traffic of each portion of the line; and should it appear at any time that they are such as to make it desirable to apply the block telegraph system at any point, they will not fail to adopt it."
Llanelly - - - - - -	72 single.	72	Block system adopted on all those portions of the railway upon which passenger trains are run.
Llynvi and Ogmore - - -	30 single.	3¾	Block system adopted between Tondu Junction and Cefn only. The system has not been adopted more generally, as the traffic of the railway consists chiefly of minerals, and a large portion of the line is worked with only a single in steam at one time.
London and North Western -	1,042 double, 330 single.	69½	Although the trains are not worked upon what is known as the absolute block system, with certain exceptional cases a considerable portion of the line has been for some years worked with the aid of the electric telegraph, the posts being within short distances of each other, and at each of which engine-drivers are warned of any preceding train on the length between that and the next telegraph post, and informed of the period of time the trains are in advance. This mode has been found to work well, and the application of the principle is now being extended to other portions of the main line. The length worked on the absolute block system is - - - - - - - - - 69½ miles. The length worked on the permissive block system by telegraph - - - - - - - 370½ „ The length worked under special regulations other than the two above systems - - - - - 168¾ „

REPLIES, by Railway Companies, to Circular of the Board of Trade, of the 19th May 1869, &c.—*continued.*

RAILWAY COMPANY.	Total Length of Railway.	Length upon which the Block Telegraph System is used.	Observations (in Reply) of the Directors, or their Reasons for refraining from the Adoption of the Block Telegraph System.
	Miles.	*Miles.*	
London and South Western -	388 double, 238 single.	174	The block system for the electric signalling of trains is in use on 88 miles of railway in the neighbourhood of London, and also in one shape or other on 86 miles of railway in the country districts. Very many of the lines of this Company, upon which the block system has not been adopted, have very few trains running upon them, and although that system can be efficiently worked where trains run frequently, and consequently the attention of the signalman is constantly required, it is considered to be doubtful whether the system would be found equally efficient if it had to be worked by servants whose exclusive attention could not be given to it, or in cases where so few trains run during the day that the signalman's attention would be relaxed for considerable periods of time.
London, Brighton, and South Coast.	273 double, 69 single.	127¾	The directors "have considered that the precautions hitherto adopted of extending and improving, from time to time, without regard to cost, the ordinary signal arrangements have been sufficient to meet the requirements of the traffic and the safety of the public, but that recently they have ordered steps to be taken for the application of the block system to all parts of the company's railways.
London, Chatham, and Dover -	135 double, 9 single.	144	From the opening of this railway throughout, the system of maintaining by means of the telegraph an interval of space between trains running on the line has been in operation, and, in the opinion of the general manager, the public safety has been greatly enhanced in consequence. Looking at the peculiar circumstances of the traffic upon this railway, and the multiplicity of trains, he is sure that the directors would not feel that they were justified in dispensing with the use of the block system, although it is easy to understand that on some lines the circumstances are so different, and the trains so much less frequent, as to make its use less desirable.
Londonderry (Seaham to Sunderland).	6 double, 1 single.	–	The line being only six miles, the average number of trains being 20 mineral, and 8 passenger per day, none of which exceed 20 miles an hour.
London, Tilbury, and Southend	41 double, 3 single.	—	
Manchester and Milford - -	41	–	No reply has been received.
Manchester, Sheffield, and Lincolnshire.	216 double, 43 single.	–	No reply has been received.
Manchester South Junction and Altrincham.	9 double.	—	
Maryport and Carlisle - -	28 double, 11 single.	–	The directors have not considered it necessary to adopt the block system on any portion of their line, as the whole of the passenger trains stop at every station, and as all the goods trains stop at intermediate stations, many of them stopping at every station, and as the stations average only three miles apart.
Metropolitan - - - -	11 double,	15	These railways, including the Hammersmith and City Railway, are all worked upon the block telegraph system.
Metropolitan and St. John's Wood.	2 single.		
Metropolitan District - -	2 double.		

REPLIES, by Railway Companies, to Circular of the Board of Trade, of the 19th May 1869, &c.—*continued.*

RAILWAY COMPANY.	Total Length of Railway.	Length upon which the Block Telegraph System is used.	Observations (in Reply) of the Directors, or their Reasons for refraining from the Adoption of the Block Telegraph System.
	Miles.	*Miles.*	
Midland	730 double, 175 single.	85	The block system is already in operation on this company's line between Bedford and London, and between New Mills and Ambergate. It is intended, with as little delay as possible, to have it in use on all those portions of railway where the traffic is of sufficient magnitude to justify the outlay of the first cost, and the very heavy annual expense attendant upon its working and maintenance.
Midland Counties and South Wales.	4 single.	—	
Mid-Wales	48 single, 26	48 —	Worked by the "block telegraph system." The company also work 26 miles of single line belonging to the Hereford, Hay, and Brecon Railway Company by train staff, which system the company found in operation, and having had experience of its safety, it was considered inadvisable to substitute the block telegraph system.
Monmouthshire	33 double, 18 single.	—	"The block system is not now in use on any portion of this company's railway where there are two lines." The directors state "that they have not deemed the adoption of the block system necessary, because during the last 16 years but three collisions attended with personal injury have occurred, which would not have occurred under the block system; also, because the traffic of the district is chiefly in goods and minerals, and the trains of all descriptions travel at a lower rate of speed than on those railways where the passenger traffic predominates."
Mowddwy	7 single.	—	
Neath and Brecon	33 single.	—	The line is worked on the "staff system," which has been found satisfactory; to change it to the "block system" would involve the cost of the necessary instruments, &c.
Newport Pagnell	4 single.	—	
North and South-Western Junction.	5	5	"The block system of telegraph is in operation on the whole of this company's system."
North-Eastern	776 double, 478 single.	—	No reply has been received.
North London	12 double.	12	"The block system of telegraph is in operation on the whole of this company's system."
North Staffordshire	118 double. 40 single.	157	"The directors of this company, long since convinced of its value, have, for some years past, established the block telegraph system throughout their railways."
Oldham, Ashton-under-Lyne, and Guide Bridge.	6	—	
Pembroke and Tenby	27	—	
Potteries, Shrewsbury, and North Wales.	30 single.	—	There is no telegraph on any portion of this company's railway at present, therefore the "block system" is impracticable.
Preston and Longridge	8	—	"The block system has not been considered necessary." "From Mandland to Deepdale the line is double, but worked as single lines; and from Deepdale to Longridge it is a single line, traversed by one engine only."

REPLIES, by Railway Companies, to Circular of the Board of Trade, of the 19th May 1869, &c.—*continued.*

RAILWAY COMPANY.	Total Length of Railway.	Length upon which the Block Telegraph System is used.	Observations (in Reply) of the Directors, or their Reasons for refraining from the Adoption of the Block Telegraph System.
	Miles.	*Miles.*	
Preston and Wyre	20 double, 8 single.	–	"The block telegraph system has not been put in operation on this line, as the ordinary traffic is light, with the trains running at wide intervals, except during the excursion season, when the platelayers are engaged to act as signalmen, remaining on duty until all specials have been worked off the line."
Rhymney	3 double, 22 single.	25	The block system is in use on this railway.
Sirhowy	16 single.	1½	The short distance, between Tredegar and Bedwelty, is worked on the block system, the other portions are worked on the "staff and ticket system," unless in cases of emergency. The company have block instruments at all the stations. The directors state that it would be impossible to conduct the traffic of the line on the block system, their trains in some cases starting within 10 minutes of each other, where the distance between the trains occupies five minutes.
Somerset and Dorset	66 single.	66	The block telegraph system has been in use over the whole of this company's railway for some years past.
South Devon	34 double, 78 single.	112	The block telegraph system is in full operation on this company's railway.
South-Eastern	299 double, 13 single.	312	The block telegraph system has been in use on this company's line for some time.
Stafford and Uttoxeter	13	–	No reply received.
Stamford and Essendine	4 double, 8 single.	–	"This railway is worked as a single line by the ticket and staff system as approved."
Swansea Vale	20 single.	–	"This line has always been worked on the block system, and up to the present time we have not had one accident."
Taff Vale	51 double, 22 single.	–	No reply received.
Talyllyn	7 single.	–	"Only one engine-driver employed, and only one engine working on one day."
Tees Valley	7½ single.	–	The line is worked under the train staff system.
Torbay and Brixham	–	–	No reply received.
Tottenham and Hampstead Junction.	–	–	"This line is worked entirely by the Great Eastern Railway Company."—*See* "Great Eastern."
Trent, Ancholm, and Grimsby	14	–	No reply received.
West Cornwall	42 single.	42	The block telegraph system is in full operation on this company's railway.
West Somerset Mineral	12 single.	–	"There is no telegraph upon this company's line, and as there is only one engine in steam upon it at the same time, the block telegraph system is unnecessary."

REPLIES, by Railway Companies, to Circular of the Board of Trade, of the 19th May 1869, &c.—*continued.*

RAILWAY COMPANY.	Total Length of Railway.	Length upon which the Block Telegraph System is used.	Observations (in Reply) of the Directors, or their Reasons for refraining from the Adoption of the Block Telegraph System.
	Miles.	*Miles.*	
Whitehaven, Cleator, and Egremont.	4 double, 15 single.	4	The double line of rails on this railway is worked on the block system.
Willoughby D'Eresby's (Edenham and Little Bytham).	4 single.	—	
Wrexham, Mold, and Connah's Quay.	16 single.	–	The directors, while acknowledging the advantages of the adoption of the block telegraph system where a heavy traffic exists, say that the staff system has hitherto been found to be sufficient protection, with a strict observance of other rules, upon this railway. The directors would, however, adopt the block system upon their railway, but the present financial condition of the company prevent them making that outlay.
SCOTLAND.			
Caledonian - - - - -	430 double, 281 single.	3 double, 7 single, 10 up-line, 4½ down-line.	The directors state that the block telegraph system has been adopted on certain short portions of their railway, but they do not consider it necessary or desirable at the present time to adopt that system upon any other portion of the railway. The subject will, however, have their careful consideration with a view to apply the extension of the system wherever and whenever it appears to them it can be applied advantageously; but to apply it to the whole of their railway would entail upon the company a very large expenditure, which the directors believe they would not be justified in incurring, either on the ground of safety or efficiency.
Forth and Clyde Junction -	30 single.	30	The train telegraph arrangements of this company approximates very nearly to the block telegraph system. In no case are two separate engines or trains allowed to be on the line at one time between stations.
Glasgow and South Western -	176 double, 78 single.	7	"The telegraph block system has not been established on this company's line, with the exception of the portion between Glasgow and Paisley which is the joint property of this company and the Caledonian. "The directors have not considered it necessary to adopt it on any other portion of their system, no accident having yet occurred which, in their opinion, would have been prevented by its adoption. "Only three accidents to passenger trains have been caused by collision on this line since the opening of the railway in 1840, and in each of those instances the accidents have occurred solely in consequence of the engine-drivers disregarding the company's rules and neglecting their signals." "In the cases referred to, the directors do not conceive that had the block system been in operation the accidents would have been prevented, as the drivers might equally have disregarded the signals under that system." "The directors are nevertheless anxious to adopt a plan which is considered desirable by the Board of Trade, although it may entail considerable expense on the company; and they propose to inquire into the best means of working such portions of the company's line on the block system as may be considered expedient in consequence of the number of trains or any special circumstances."
Great North of Scotland - -	6 double, 284 single.	290	"The whole of the lines belonging to or worked by the company are worked on the block system."
Highland - - - - -	7 double, 261 single.	268	"The Highland Railway is now, and has been since it was opened, worked by the block telegraph system."

REPLIES, by Railway Companies, to Circular of the Board of Trade, of the 19th May 1869, &c.—*continued.*

RAILWAY COMPANY.	Total Length of Railway.	Length upon which the Block Telegraph System is used.	Observations (in Reply) of the Directors, or their Reasons for refraining from the Adoption of the Block Telegraph System.
	Miles.	*Miles.*	
Leven and East of Fife - -	20 single.	–	No reply has been received.
North British - - - -	368 double, 408 single.	91 (of which 63 miles have been established between May 1867 and May 1869.)	"The North British Railway, for a great portion of its length, runs through a hilly and sparsely populated country, where trains are few and far between, and where, therefore, the use of the telegraph would be unnecessary. "In other parts of the line, within the vicinity of large towns, and along the main routes of traffic, trains are more numerous, and here the aid of the telegraph has been freely made available." The "Directors have frequently had their attention directed to this subject, and their practice has been to use the telegraph wherever the necessities of the case have appeared to them, upon the report of their officers, to demand it." (A statement showing the portions of railway upon which the block system is in force has been received.) "To apply the block telegraph over the whole system, irrespective of local conditions and circumstances, would, the directors are advised, be quite unnecessary, and therefore productive of more harm than good."
IRELAND.			
Belfast and County Down -	44 single.	–	"Owing to the traffic of this line being so limited, and the speed of the trains so slow, it is, in the opinion of the directors, at present unnecessary to incur the expense of working the trains on the block system."
Belfast and Northern Counties	7 double, 144 single.	–	The directors "are of opinion that with the comparatively limited traffic, the length of time between the trains, and other considerations affecting the general working, they see no necessity for the adoption of the block telegraph system on this line of railway."
Belfast, Holywood, and Bangor	13 single.	–	The block telegraph system is not in work on this line, but the ticket and staff system is in use. In daylight the trains can be seen for a distance of 4½ miles. So soon, however, as circumstances will admit, the block telegraph system will be adopted. There has been no accident resulting from its absence, nor any inconvenience.
ork and Bandon - - -	31 single.	–	No reply has been received.
Cork and Macroom - -	25 single.	–	"The block telegraph system is not used." "The line is a single one, where trains do not pass each other."
Cork, Blackrock, and Passage -	6 single.	–	"As the traffic of this line is worked by a single engine in steam at the time, there is no necessity for adopting the block telegraph system."
Dublin and Belfast Junction -	56 double, 7 single.	–	"The block telegraph system is only partially applied on the line; the long intervals between the trains running in the same direction rendering it unnecessary." *See* company's letter for detail of the working of the trains, from which it appears that "the telegraph is in daily use for the passing of trains, and when delays or any stoppages take place it is used to protect the disabled train until the line is cleared for the next train."
Dublin and Drogheda - -	32 double, 43 single.	–	"The traffic on the lines of this company is very limited, and not such as would require the expenditure which such system would involve."
Dublin and Meath - - -	35 single.	–	No reply has been received.

REPLIES, by Railway Companies, to Circular of the Board of Trade, of the 19th May 1869, &c.—*continued.*

RAILWAY COMPANY.	Total Length of Railway.	Length upon which the Block Telegraph System is used.	Observations (in Reply) of the Directors, or their Reasons for refraining from the Adoption of the Block Telegraph System.
	Miles.	*Miles.*	
Dublin Wicklow, and Wexford	18 double, 89 single.	–	No reply has been received.
Great Southern and Western -	191 double, 246 single.	–	The directors, while admitting the value of the "block system" for telegraphing trains, and the advisability of adopting it on lines with large traffic, do not consider that it is called for upon a line with the limited traffic of the Great Southern and Western Railway; and having regard to the fact that the adoption of the block system on this railway would necessarily involve a large outlay, and considerable annual expense, they do not feel they would be warranted in adopting it generally upon their line. It has, however, been in operation some years on their railway in the vicinity of Dublin and Cork.
Irish North-Western - -	9 double, 186 single.	–	No reply has been received.
Londonderry and Lough Swilly	15 single.	–	"As there is only one engine in steam on this line at any one time, it is unnecessary to adopt the block telegraph system, or any similar precaution against collisions, as they cannot possibly occur."
Midland Great Western - -	115 double, 240 single.	–	No reply has been received.
Newry and Armagh - -	21 single.	–	"From Goragh Wood to Armagh the line is divided into two sections, and worked by 'train staff.'" From Goragh Wood to Newry the exchange of traffic is regulated by telegraph, which the secretary and manager presumes is equivalent to the block system referred to in Board of Trade Circular.
Newry, Warrenpoint, and Rostrevor.	6 single.	–	The railway having but a single line of rails, worked with only one engine under steam at a time, the directors do not consider that there is any necessity for it.
Parsonstown and Portumna Bridge.	12 single.	–	No reply has been received.
Ulster - - - - - -	49 double, 73 single.	–	The subject of working the railway according to the block telegraph system is at present under consideration by the directors.
Waterford and Central Ireland -	59 single.	–	The line is worked under the "train-staff" system; there are only four trains each way daily; there is no telegraph on the line. The block system could not be carried out without a large outlay and considerable expense.
Waterford and Limerick - -	23 double, 128 single.	–	No reply has been received.
Waterford and Tramore - -	8 single.	—	
West Cork - - - - -	17 single.	–	No reply has been received.

Appendix, No. 2.

PAPER referred to by Mr. *Blenkinsop.*

LONDON AND NORTH WESTERN RAILWAY.

Return, No. 1.

Number of Accidents, Amount of Compensation, and Number of Persons Killed and Injured during 1868–1869.

Date of Accident.	Place of Accident.	Number Killed.	Number Injured.	Total Number.	Total Amount Paid.	Cases Unsettled.
					£.	
11 Jan. 1868	Kings Langley	—	10	10	300	—
20 Feb. „	Dudley Port	—	5	5	90	—
25 Mar. „	Chester	—	10	10	600	—
16 Mar. „	Stalybridge	—	2	2	120	—
4 June „	Llandudno	—	3	3	50	—
27 June „	Lime Street, Liverpool	—	15	15	220	—
1 Aug. „	Ditto - ditto	—	20	20	2,260	—
9 June „	Wolverhampton	—	1	1	10	—
18 June „	Carnarvon	—	4	4	20	—
13 July „	Grayrig	—	7	7	990	—
22 July „	Sutton Oak	—	4	4	90	—
4 Aug. „	Hillhouse	—	6	6	1,050	—
1 Aug. „	Valley	—	1	1	500	—
31 July „	Kenyon	—	2	2	250	—
11 Aug. „	New Street	—	1	1	150	—
21 Aug. „	Abergele	31	18	49	25,000	—
14 Sep. „	Edge Hill, Liverpool	—	3	3	830	1
16 Sep. „	Holywell	—	5	5	3,140	—
18 Sep. „	Chester	—	2	2	200	—
1 Oct. „	Draycott	2	11	13	4,080	—
30 Sep. „	Warrington	—	4	4	40	—
4 Oct. „	Coventry Junction	—	10	10	600	—
20 Oct. „	Diggle Tunnel	—	8	8	1,080	—
20 Oct. „	Chelford	—	6	6	370	—
30 Oct. „	Llanwrtyd	—	14	14	500	2
2 Nov. „	Ashton	—	16	16	3,500	—
5 Nov. „	Colwch	—	1	1	180	—
2 Dec. „	Hillhouse	—	16	16	470	—
17 Dec. „	Euston	—	9	9	890	—
18 Dec. „	Euxton Junction	—	5	5	190	—
29 Dec. „	Spring's Branch	—	12	12	690	—
10 May „	Tyldesley	—	3	3	800	—
30 Dec. „	Stockport	—	60	60	11,430	—
30 Dec. „	Hyde Road	—	12	12	150	—
7 Jan. 1869	Camden	—	12	12	390	—
21 Jan. „	Clockface	—	2	2	60	—
29 Jan. „	Talycafn	—	2	2	30	—
15 Feb. „	St. Albans	—	8	8	1,670	—
16 Mar. „	Whitchurch	—	3	3	5	—
30 Mar. „	Bedford Leigh	—	3	3	1,980	—
16 April „	Marsden	—	1	1	370	—
21 May „	Heaton Norris	—	11	11	4,060	—
19 May „	Leamington	—	2	2	10	—
3 June „	Guide Bridge	—	4	4	180	—
4 June „	Sutton Oak	—	2	2	160	—
1 July „	Leighton	—	4	4	140	—
16 July „	Old Trafford	—	38	38	1,290	7
17 July „	Winsford	1	13	14	600	—
16 July „	Colwyn Tunnel	—	3	3	840	1
30 July „	Broadheath	—	4	4	350	—
10 Aug. „	Wednesbury	—	9	9	1,050	—
9 Sep. „	Atherton	—	6	6	40	—
2 Sep. „	Greenfield	—	9	9	650	—
6 Sep. „	Windermere	—	39	39	4,100	—
6 Sep. „	Garston	—	13	13	750	—
16 Sep. „	Blisworth	—	8	8	490	—
20 Sep. „	Bletchley	—	5	5	90	1
5 Oct. „	Worleston	—	6	6	370	1

Appendix, No. 2.

RETURN No. 1.— Number of Accidents, Amount of Compensation, &c.—*continued.*

Date of Accident.	Place of Accident.	Number Killed.	Number Injured.	Total Number.	Total Amount Paid.	Cases Unsettled.
					£.	
9 Oct. 1869	Mostyn - - - -	—	1	1	180	—
21 Oct. „	Hyde Road - - - -	—	48	48	4,070	4
6 Oct. „	Hillhouse - - - -	—	2	2	150	—
25 Oct. „	Stewart's Lane - - -	—	8	8	630	—
13 Nov. „	Golcar - - - - -	—	3	3	6	—
13 Nov. „	Marshbrook - - - -	—	1	1	329	—
25 Nov. „	Ditton - - - - -	—	13	13	550	1
4 Dec. „	Whitchurch - - - -	—	2	2	140	—
17 Dec. „	Mossley - - - -	—	31	31	1,550	5
18 Dec. „	Warrington - - - -	—	13	13	310	—
7 Dec. „	Wigan - - - - -	—	1	1	50	—
27 Dec. „	Brownhills - - - -	—	5	5	150	—

LONDON AND NORTH WESTERN RAILWAY.

RETURNS Nos. 2 and 3.

NUMBER of PERSONS to whom COMPENSATION has been paid during the Two Years ending 31st December 1869, and the Amount so paid between the Sums named below.

Number of Persons.						£. s. d.
		£.		£.		
291	Between	1	and under	50	- - - - -	4,340 12 10
98	„	50	„	100	- - - - -	6,122 12 6
96	„	100	„	200	- - - - -	12,587 — 8
92	„	200	„	500	- - - - -	27,045 13 5
35	„	500	„	1,000	- - - - -	21,966 14 10
18	„	1,000	„	2,000	- - - - -	25,652 1 6
14	„	2,000	„	5,000	- - - - -	42,825 8 10
644						140,540 4 7

This sum includes Claimants' Legal and Medical Charities

The Medical Charges cannot be given as they are included in the settlements.

The Legal Charge amount to 6,412 *l.* 13 *s.* 7 *d.*

Sundry expenses, including extra expenses incurred by reason of Accidents and Company's Law Costs and proportion of Compensations paid to other Companies in respect of Accidents occurring on joint lines - - - - - -	16,846 3 10
Company's Medical Charges - - - - - -	6,765 4 4
	164,151 12 9

Appendix, No. 2.

LONDON AND NORTH WESTERN RAILWAY.

Return No. 4.

Number of Servants Killed and Injured.

		Killed.	Injured.	Killed.	Injured.
1868.	Killed while engaged on Train - - -	11	—	—	—
	Permanently injured while engaged on Train -	—	6	—	—
	Otherwise killed - - - - - - -	—	—	50	—
	Otherwise permanently injured - - -	—	—	—	32
1869.	Killed while engaged on Train - - -		—	—	—
	Permanently injured while engaged on Train -	—	6	—	—
	Otherwise killed - - - - - - -	—	—	55	—
	Otherwise permanently injured - - -	—	—	—	0

The Company employ 32,000 servants.

The rule of the Company is to grant Widows or Children 10 *l.*

LONDON AND NORTH WESTERN RAILWAY.

Return No. 5.

Estimate of Saving to Company.

This cannot be given.

I N D E X

TO

REPORT

FROM THE

SELECT COMMITTEE

ON

RAILWAY COMPANIES.

Ordered, by The House of Commons, *to be Printed,*
7 *July* 1870.

ANALYSIS OF INDEX.

ALPHABETICAL and CLASSIFIED LIST of the PRINCIPAL HEADINGS in the following INDEX, with the Paging at which they will be respectively found.

PAGE

Act 9 & 10 Vict. c. 93 (Lord Campbell's Act) - - 199
Damages - - 209
Liability - - 217

Arbitration - - 201
Costs - - 208
County Court Judges - - 208
Tribunal - - 230

BLOCK SYSTEM:
1. *Evidence of Railway Officials as to the partial Adoption of the Block System, of Working, its Advantages and Disadvantages, and as to the Inexpediency of its general Adoption being Compulsory* - 203
2. *Views of Colonel Yolland in favour of the Compulsory Adoption of the System* - 204
3. *Dissent of Captain Tyler from the foregoing Conclusion* - - 204
4. *Letter from the Board of Trade in 1869, urging the Adoption of the System* - - 204
5. *Enumeration of Accidents in 1868 which the System would have prevented* - - 204
6. *Details supplied by the Companies as to the Extent of Adoption of the System* - 205
7. *Importance attached to the System by the Committee* - - 205

BOARD OF TRADE:
1. *Evidence of Railway Officials opposed to Compulsory Powers in the Board of Trade* - - 205
2. *Conflicting Views of Colonel Yolland and Captain Tyler on the question of Compulsory Powers* - - 205
3. *Attention paid by the Companies to the Reports and Recommendations by the Inspectors* - - 206
4. *Question as to the Inspectors concurring on the Subject of Improvements* - - 206
5. *Want of Legal Powers in the Board to hold Inquiries and to enforce Evidence* - - 206

Communication between Passengers and Guard - 207
Continuous Breaks - - 207
Insurance - - 214
Responsibility - - 229
Tribunal - - 230

Communication between Passengers and Guard - - 207
Continuous Breaks - - 207
Costs - - 208
Arbitration - - 201
Lawyers - - 216
Litigation - - 219
Medical Witnesses, &c. - - 223

County Court Judges - - 208

Damages (Compensation) - - 209
Act 9 & 10 Vict. c. 93 - - 199
Arbitration - - 201
Carriers Act - - 207
Costs - - 208
Excursion Trains - - 210
Fraud - - 212
Great Northern Railway - - 212
Great Western Railway - - 213
Insurance - - 214
Judges - - 215
Juries - - 215
Lawyers - - 216
Liability - - 217
London and North Western Railway - - 220
Management of Railways - - 220
Manchester, Sheffield, and Lincolnshire Railway - 220
Midland Railway - - 223
Negligence - - 223
Nervous Shocks, &c. - - 224
New Cross Accident - - 224
North London Railway - - 224
Post Office Clerks - - 227
Private Settlement of Claims - - 228
Sheriff - - 230
Special Juries - - 230
Staplehurst Accident - - 230
Third-Class Passengers - - 230
Tribunal - - 230
Workmen's Trains - - 234

Fares - - 210
Workmen's Trains - - 234

Fraud - - 212
Abergele Accident - - 199
Damages - - 209
Liability - - 217
Litigation - - 219
Nervous Shocks and Internal Injuries - - 222

Insurance - - 214
Carriers Act - - 207
Liability - - 217
Railway Passengers' Assurance Company - - 228

Juries - - 215
Costs - - 208
Damages - - 209
Special Juries - - 230
Tribunal - - 230

Lawyers - - 216
Costs - - 208

LIABILITY:
1. *Explanations by the Judges as to the present Law of Liability as regards Railway Accidents* - - 217
2. *Inability of the Companies to limit their Liability by means of Notice* - - 217
3. *Practice almost invariably to admit Liability* 217
4. *Complaints as to the present System, the Liability being practically unlimited* - 218
5. *Suggestions for a Limitation of Liability* - 218
6. *Exception taken by Colonel Yolland to the proposed Limitation* - - 219
7. *Conclusions and Recommendations of the Committee* - - 219

Act 9 & 10 Vict. c. 93 - - 199
Carriers Act - - 207
Damages - - 209

Liability—continued. PAGE

Excursion Trains - 210
Fares - 210
Horses and Cattle - 214
Insurance - 214
Juries - 215
Litigation - 219
Management of Railways - 220
Negligence - 223
Railway Extension - 228
Railway Passengers' Assurance Company - 228
Railway Servants - 228
Royal Commission on Railways - 229
Shipping Accidents - 230
United States - 232
Workmen's Trains - 234

Litigation - 219
Costs - 208
Damages - 209
Lawyers - 216

Locking Apparatus - 219

Locking of Doors - 220

Management of Railways - 220
Block System, 1 - 203
Board of Trade - 205
Plant - 227
Railway Servants - 228

Medical Witnesses and Referees - 223
Costs - 208
Nervous Shocks, &c. - 225
Tribunal - 230

Negligence - 223
Liability - 217
Master and Servant, Law of - 222
Railway Servants - 228

Nervous Shocks and Internal Injuries - 224
Damages - 209
Fraud - 212

Notice of Claims - 225

Plant - 227

Railway Passengers' Assurance Company - 228

Railway Servants - 228
Liability - 217

Tribunal - 230
Arbitration - 201
County Court Judges - 208
Judges - 215
Juries - 215

Workmen's Trains - 234

INDEX.

[*N. B.*—In this Index the *Figures* following the Names of the Witnesses refer to the Questions in the Evidence; those following *App.* to the Pages in the Appendix; and the Numerals following *Rep.* to the Pages in the Report.]

A.

ABERGELE ACCIDENT. Attempted fraud upon the London and North Western Company by a person who falsely said he was at the Abergele accident, *Blenkinsop* 9——Deception of the doctors in this case, *ib.*——Detection of the fraud just as witness was going to hand over 1,000 *l.* as compensation, *ib.*——The man was subsequently prosecuted for conspiracy and received eighteen months' imprisonment, *ib.*

Statement in Report of Colonel Rich that if the block system had been in use and strictly carried out the accident near Abergele on the 20th August 1868 could not have occurred, *App.* 182.

Act 9 *&* 10 *Vict. c.* 93 (*Lord Campbell's Act*). Anomaly, previously to Lord Campbell's Act, in there being no liability to compensation for a person killed by accident, whilst there was such liability in the case of a person injured, *Blenkinsop* 3–8——Object of Lord Campbell's Act further adverted to as facilitating compensation claims on the part of persons killed, *ib.* 22, 23——Non-objection to the principle introduced by the Act, whereby in case of death by accident the nearest relatives may claim, *ib.* 179–181.

Practical inoperativeness of the provision in Lord Campbell's Act that claims can only be made to the extent of the interest of the claimants, *O'Brien* 488–490——Very harsh and unjust operation of the Act in many cases, *Brown* 1121.

Witness is not aware of any instance of injustice under the provisions of Lord Campbell's Act, as regards claims by heirs of persons killed, *Sir J. Hannen* 1763.

Explanation as to Lord Campbell's Act having originated with reference to accidents in mines, witness having in the first instance been called upon to frame clauses, *Whitmore* 2000–2003——Respects in which the Act is quite inapplicable to the present circumstances of railways, *Eborall* 2131.

Considerations as to the extended liability of companies since the passing of Lord Campbell's Act; expediency of the damages being limited to the proximate consequences of breach of contract, *Sir J. S. Willes* 2217, 2218. 2225, 2226.

Reference by the Committee to the change effected by Lord Campbell's Act as not having arisen from anything in connection with railway accidents in particular, *Rep.* iii.

See also *Damages.* *Liability.*

Administration of the Law. Conclusion of the Committee that there are objections to the present administration of the law of liability, of which the companies have reason to complain, *Rep.* iv.——*See* also *Damages.* *Juries.* *Liability.*

Allport, James. (Analysis of his Evidence.)—Is general manager of the Midland Railway, and has had large experience in dealing with compensation cases, 571–574. 599——Great hardship to railway companies in being compelled to carry at the same fares passengers whose lives vary immensely in value, 575. 577. 690, 691. 802–804——Expediency of extending to railway companies the same principle of limitation of liability which has been applied in the case of goods, and of horses and cattle, 575. 585–589. 644–653. 749–757.

Conclusion as to the unfairness of the companies being compelled to pay compensation without reference to the fare received, 575–577——Evidence in support of the proposition submitted by Mr. Blenkinsop for limiting the liability to 500 *l.* for first-class passengers, to 300 *l.* for second class, and to 200 *l.* for third class, with a right of insurance beyond those amounts, 577–584. 715. 738–741. 749–757. 787–792——Better posi-

Allport, James. (Analysis of his Evidence)—*continued.*

tion of omnibus companies than of railway companies in regard to compensation payments, 578, 579——Inability of railway companies to protect themselves by specifying on the tickets that they would not be liable beyond a certain sum, 580, 581.

Total of 143,000 *l.* paid by the Midland Company in the last five years, nearly 19,000 *l.* of which was for costs, 590-592——Difficulty in stating the amount in respect of goods, 593, 594——Circumstance of the legal expenses being frequently in excess of the compensation paid, 594. 676——Uselessness of payment into court, 595. 654-656——Frequent payment of sums known to be excessive and unfair, rather than incur the heavy charge for costs, 595-598——Comment upon the systematic action of a class of lawyers in persuading people not to settle privately with the companies, 598. 694.

In illustration of the great abuses under the present system, and in proof of the very excessive payments exacted, as well as of the frauds perpetrated, witness submits details of numerous cases of accident and of compensation claims which have passed through his hands as manager of the Midland Railway, 599-614. 639-643. 700.

Difficulty of the companies in the case, more especially, of alleged internal injury or shock to the nervous system; frequent instances of abuse and extortion, 599 *et seq.*——Approval of the cases being tried by the county court judges on certain conditions, 618. 682, 683. 718——Suggestions with a view to the reference of disputed cases to arbitration, 618, 619. 674. 695——Great bulk of the claims from third-class passengers, 620. 692. 714——Expediency of limiting the time within which claims may be made, six months being ample, 621, 622. 701-703.

Great loss to the companies when accidents occur, irrespectively of the loss through compensation; equal care taken if there were no liability on the latter ground, 623——Information relative to the use of the block system on parts of the Midland Railway, the system being a valuable protection against certain accidents, but being disadvantageous in some respects, and not securing immunity from accidents, 624-637. 689. 818-830——Grounds for objecting strongly to power in the Board of Trade to enforce the adoption generally of the block system, 637. 709, 710. 719-724. 818-835——Exception taken to the compulsory action of the Board of Trade, in regard to the interlocking of signals and points, 637.

Very little demand for workmen's trains on the Midland line; expediency of the liability being limited to a small sum in the case of such trains, 638——Enhanced compensation given when cases go before the sheriff and a jury, 655-660——Excessive damages, owing chiefly to the sympathies of the juries for the injured, many jurymen also having strong prejudices against the companies, 658. 681. 699. 742. 758-763——Difficulty through the companies being unable to ascertain the income or profits of the persons injured, 661-665.

Exorbitant character of the claims sometimes sent in by the advice of the solicitors, 666-670——Advantage of retaining the action of the judges, if the liability is not to be limited by law; check thereby upon the juries, 671-674. 681-683. 742——Improbability of many fraudulent claims, or of many cases going into court, if the liability were limited to the sums already named, 674-676. 695. 743-748. 793-801——Instances of witness's company having been made liable for accidents at stations to persons not travelling by the line, 677-681.

Reference to the medical witnesses for the plaintiffs, as being frequently advocates rather than witnesses, 685——Bad accidents sometimes with excursion trains, 686-689——Great facility with which claims may be made by poor men, there being no difficulty about solicitors or medical witnesses, 693-698——Absence of remedy to the companies if, after paying the compensation, it is discovered that the alleged injuries had no good foundation, 706-708——Anticipated loss to the company at the rates of insurance proposed, as explained by Mr. Blenkinsop, 716, 717.

Exception taken to compulsory action for the provision of means of communication between the guard and driver, and the passengers and guard, 725-734——Approval of the present arrangements in regard to the doors being locked on the off side, 735-737——Due care taken by witness's company to secure efficient servants; improper recommendations often made to the companies, 738. 764-768.

Much greater liability to accident in England than in countries where the traffic is small and the trains slow and infrequent, 769-773——Difficulty as to the companies taking the initiative in the settlement of claims, 774, 775——Interested motives of the lawyers and doctors for the plaintiffs in bringing cases into court, 776, 777. 801.

Impression as to the willingness of the companies to admit negligence in all cases, if the liability be limited, 778-786——Claim of railway companies to a limitation of liability, not merely upon the ground of fraudulent claims, but because their treatment is exceptionally unfair, as compared with omnibus companies, shipowners, and others, 801-817—— Considerable value attached to the reports of the Board of Trade inspectors when accidents occur, 835-838.

Report, 1870—*continued.*

Arbitration. Suggestions with a view to the reference of disputed cases to arbitration, *Allport* 618, 619. 674. 695——Great importance of a reference of compensation claims to arbitration by the Board of Trade, or some other department, instead of to a jury, *Laing* 1009. 1052-1057; *Forbes* 1173. 1175. 1247-1251. 1285. 1288-1291——Evidence in favour of a medical arbitration, with suggestions as to the mode of carrying it out, *Pemberton* 1458-1468. 1486.

Approval of the system of arbitration through the Board of Trade, as in the case of workmen's trains; expediency of an extension of the system, *Yolland* 1541-1545. 1649, 1650——Power of the Railway Passengers Insurance Company to make arbitration compulsory; exceedingly beneficial operation of the arrangements in this respect, *Vian* 1804-1809——Great improvement if compensation claims were dealt with by arbitrators appointed by the Board of Trade; suggestions on the subject, *Tyler* 1865-1868. 1963-1965.

Suggestions with a view to the adoption of provisions similar to those in the Merchant Shipping Code, whereby the Board of Trade is empowered to appoint an arbitrator, *Sir J. S. Willes* 2244-2247. 2256——Contemplated admission of liability in all cases, if the system of arbitration be adopted, *ib.* 2247, 2248.

See also *Costs. County Court Judges. Tribunal.*

B.

Blackmore, Henry. (Analysis of his Evidence.)—Is Passenger Superintendent of the Lancashire and Yorkshire Railway, 2403, 2404——Supplies sundry particulars relative to the continuous break system, as used over the whole of the railway; great value attached thereto as a means of preventing accidents, 2405-2427. 2448-2451. 2457-2462. 2469-2474——Adoption of the block system on the line where the traffic is heavy; advantages of this mode of working, the extension of which is very desirable, 2428-2447. 2463, 2464.

Expediency of an adoption of the locking apparatus wherever there are facing points; practice hereon on witness's line, 2452-2456. 2475-2485——Opinion that the introduction or extension of improvements may fairly be left to the companies, and that the compulsory interference of the Board of Trade is not required, 2465-2468.

Blenkinsop, James. (Analysis of his Evidence.)—Is solicitor to the London and North Western Railway Company; has been connected with the company for thirty-three years, 1, 2——Anomaly, previously to Lord Campbell's Act, in there being no liability to compensation for a person killed by accident, whilst there was such liability in the case of a person injured, 3-8——Witness represents not only the London and North Western Company, but the companies generally north of the Thames, 9.

Very excessive damages given by juries under the present system; sundry instances of this, 9-11. 78-81——Comment upon the action of a class of medical men and of lawyers who lay themselves out for compensation cases, 9. 19, 20. 66——Especial difficulty in resisting excessive damages for nervous shocks, though the persons injured are sometimes soon at work again, 9. 156-158. 195-198——Large sums paid to Post Office clerks; moiety borne by the Post Office, 9. 80-82. 112——Attempted fraud upon witness's company by a person who falsely alleged he was at the Abergele accident, 9——Approximation to fraud in many of the cases where large damages are demanded, 10.

Statement as to there being no principle in arriving at the amount of compensation, the juries never being certain, and no two cases being alike, 11. 17, 18——Admission of the liability, save when the accident arises from causes over which the company has no control, 12-16——Trial of the cases, as a rule, before the judges, 21——Object of Lord Campbell's Act further adverted to as facilitating compensation claims on the part of persons killed, 22, 23.

Moderate damages given by juries when persons are killed or injured through the fault of private individuals, increased damages being given against companies, 24, 25. 84, 85——Limitation of liability for damages in the case of shipping accidents, 26——Entire absence of proportion between the consideration given to the railway companies for the conveyance of passengers and the risk run, 27. 30-32. 181.

Proposition that the companies be compelled to insure any passenger who wishes it, up to 3,000 *l.*, first-class; 2,000 *l.*, second-class; and 1,000 *l.*, third-class, at the rate of 3 *d.* per 1,000 *l.*, 28, 29. 56-62. 107, 108——Suggestion that under compulsory insurance the liability in case of death be absolute, and be limited to 500 *l.*, first-class; 300 *l.*, second-class; and 200 *l.*, third-class, 28. 68-73. 166-168.

Reference to the Carriers' Act as containing the principle of limited compensation and compulsory insurance contended for by witness, 33-36. 86——Limitation under Mr.

Report, 1870—*continued.*

Blenkinsop, James (Analysis of his Evidence)—*continued.*

Cardwell's Act as regards the liability in the case of horses and cattle, 35, 36. 86—— Limit of liability also in the case of workmen's trains in the metropolis, 37–41. 87—— Belief as to the liability in some of the American States being limited to 5,000 dollars, 42–45.

Recommendation by the Royal Commission of 1866 and 1867 for limiting the amount of compensation, in conjunction with arrangements for compulsory insurance, 46–48. 51, 52——Views expressed by some of the judges in favour of limitation of liability, 49 —— Suggestion that if the liability be limited, as proposed by the companies, the cases might be decided by the county court judges, or by medical arbitrators, 50. 68.

Very similar Bill prepared by witness for the Railway Association, four or five years ago, to that now proposed; loss of the former Bill, the Government having opposed it, 53–56——Difficulty of regulating the insurance with reference to the length of the journey, 57. 209, 210——Contemplated annual insurance tickets in the case of persons travelling daily or frequently, 58. 169. 210.

Practice of juries to concur in the medical testimony on the part of those injured, and to disregard the medical evidence for the companies, 65–67. 104——Improbability of much litigation if the compensation be limited as proposed by witness, 69, 70——Grounds for the conclusion that the management of the railways would in no wise be less careful, if the element of compensation for accidents were withdrawn, 74–77. 136–139. 162–165. 170. 205, 206.

Enhanced liability of the companies in its being now held that the compensation should have reference to the future prospects of the person killed or injured, 83. 179——Objection of the Accidental Insurance Company to insure at the rate of 3*d.* per 1,000*l.*; 88, 89——Average of 60,000*l.* to 80,000*l.* a year paid by witness's company in compensation to passengers; the amount last year was 73,000*l.*; 90–96.

Very heavy amount of the costs, these almost invariably falling upon the companies, 97–103——Large fees charged by the plaintiffs' medical witnesses, who act rather as medical advocates, 103. 189–194——Very little difficulty experienced by the companies as regards medical examination of the persons injured, 104, 105. 120–128——Tendency of the compensation payments to keep up the fares, 106 ——Probability of long-journey passengers largely availing themselves of a compulsory insurance clause, 109, 110.

Settlement by witness's company of about three-fourths of the claims without litigation, 113——Practice to contest only the amount of compensation, the question of negligence and liability being rarely disputed, 114–117——Worse position of the companies than of private individuals in having verdicts found against them, 118, 119.

Expediency of a reasonable limit of time during which notice of claims should be given, 129–134. 174, 175——Further statement as to the disposition of juries to give excessive damages, their feelings and sympathies unduly influencing them, 135. 159–161. 182–184. 213——Compulsion upon railway companies as to the insurance of goods, 140–142.

Large proportion of compensation payments made to third-class passengers, 145–147 —— Facility with which the poorer class of travellers find lawyers to take up their case, the costs charged by the latter being often very exceptionable, 148–155——Practice of witness's company as to retaining local medical men who act at once when an accident occurs, 156——Difficulty as to insurance where the fares are very low, 169——Cause of the higher fares in England than on the Continent and in America, 171.

Very few persons injured without claiming compensation, 172, 173——Effect of the fear of heavy compensation in checking the running of excursion and other cheap trains, 176–178——Non-objection to the principle introduced by Lord Campbell's Act, whereby in case of death by accident the nearest relatives may claim, 179–181——Instances of judges endeavouring to moderate the views of the juries as to damages, 182–185—— Further comment upon the exceptionable part taken in compensation cases by a certain class of attorneys, 186–188.

Instances of fraudulent claims being successfully urged, and afterwards detected and punished, 197, 198——Several instances of injury and of compensation under circumstances in which neglect or blame should not fairly be attached to the companies, 199–204—— Fallacy of the idea that railway directors do not take sufficient interest in the prevention of accidents, 207, 208.

Expediency of the same principle of liability which applies to goods and cattle being extended to passengers, 211, 212——Fairness generally of the awards of juries in respect of injuries to goods, there being no sympathy or feeling in these cases, 213, 214.

Report, 1870—*continued.*

Block System:

1. *Evidence of Railway Officials as to the partial Adoption of the Block System of Working, its advantages and disadvantages, and as to the inexpediency of its general Adoption being compulsory.*
2. *Views of Colonel Yolland in favour of the Compulsory Adoption of the System.*
3. *Dissent of Captain Tyler from the foregoing conclusion.*
4. *Letter from the Board of Trade in* 1869, *urging the adoption of the System.*
5. *Enumeration of Accidents in* 1868 *which the System would have prevented.*
6. *Details supplied by the Companies as to the extent of Adoption of the System.*
7. *Importance attached to the System by the Committee.*

1. *Evidence of Railway Officials as to the partial Adoption of the Block System of Working, its advantages and disadvantages, and as to the inexpediency of its general Adoption being compulsory:*

Information relative to the block system as adopted on portions of the Great Northern line, the system being very effectual in preventing accidents between stations, but not at stations where accidents generally occur, *Oakley* 256–265. 277–285. 293–306——Impracticability of immunity from accidents under the block system, or any other system; circumstances under which the former may aggravate accidents, *ib.* 293–296.

Disadvantage of the block system, as inducing carelessness on the part of drivers and others, *Oakley* 300, 301; *O'Brien* 402. 404, 405. 432; *Forbes* 1169, 1170. 1172. 1236–1239; *Mason* 1412–1415.

Evidence as to the partial adoption of the block system on the North Eastern Railway, and as to its advantages and disadvantages; inexpediency of compelling the company to adopt it over the whole line, *O'Brien* 392–409. 428–432. 437——More accidents per mile where the block system exists on the North Eastern line than where it does not exist, *ib.* 397–400——Little if any effect which the block system would have had in preventing the accidents which have occurred on the North Eastern line, *ib.* 403. 458——Peculiar facilities in the case of the Metropolitan Railway for applying the block system, the circumstances being altogether different in the case of the North Eastern Railway, *ib.* 442–444.

Further statement of witness's objections to an indiscriminate application of the block system, though the principle of the system is perfect, *O'Brien* 445–459——Apprehension of increased complication in respect of signals, *ib.* 446–454——Conclusion that a general adoption of the system would not have the slightest effect in mitigating the compensation awarded when an accident occurs, *ib.* 460–463.

Tendency of the block system to induce carelesness as to signals; several accidents under the system on the North London line, *Mansel* 550–555.

Information relative to the use of the block system on parts of the Midland Railway, the system being a valuable protection against certain accidents, but being disadvantageous in some respects, and not securing immunity from accidents, *Allport* 624–637. 689. 818–830——Aggravated results of accidents happening under the block system, *ib.* 628——Great expense incurred by the Midland Company in adopting block signals, *ib.* 629——Grounds for objecting strongly to power in the Board of Trade to enforce the adoption generally of the block system, *ib.* 637. 709, 710. 719–724. 818–835.

Sundry details in explanation of the block system, as carried out on the South Eastern line, the system possessing important advantages, but not securing immunity from accident, and tending to render drivers less careful, *Sir E. W. Watkin* 912–932. 939–945. 954–960. 980–986——Objection to the adoption of the system being compulsory upon the companies, though its advantages are great upon a crowded line, *ib.* 912–914. 926–932. 959. 983–986——Advantages attached to the block system of working, as now adopted on the Brighton line, *Laing* 1011–1017.

Evidence relative to the block system as adopted on the London and Chatham Railway, the result being a great additional security in working the traffic, accidents being very rare, *Forbes* 1166–1170. 1194–1204. 1235–1245——Grounds for objecting to the Board of Trade, or any other Government department, enforcing the adoption of the system generally, *ib.* 1171, 1172——Statement as to the system not being urgently required, save where the traffic is very heavy and the trains are frequent, with the stations close together, *ib.* 1172. 1197–1204. 1235. 1277–1281. 1306–1314——Instances of accidents on the London and Chatham line under the block system, *ib.* 1240–1245——Necessity of the block system in working the Metropolitan Railway, whilst it is not required and would be less safe in the case of railways in the country, *ib.* 1306–1314.

Adoption of the block system on part of the North British Railway; particulars hereon to the effect that the system has great advantages, but does not secure freedom from accident, *Mason* 1374–1382. 1384, 1385. 1394, 1395. 1412–1415——Decided objection

Report, 1870—*continued.*

Block System—continued.

1. *Evidence of Railway Officials as to the partial Adoption, &c.*—continued.

to the block system on mineral lines, as not being required, and as being attended with ruinous expense; illustration in the case of the North British and Glasgow and South Western Companies, *Mason* 1377. 1389–1393. 1416——Inexpediency of the block system being made compulsory on the companies, *ib.* 1382——Greater liability to the neglect of signals under the block system, *ib.* 1384. 1412–1415——Occurrence of two accidents on the North British line under the block system, *ib.* 1395. 1412–1415——Gradual adoption of the system on the Glasgow and South Western line, *ib.* 1416.

Explanation as to the extent to which the block system has been adopted on the Great Western line; decided objection to its universal adoption being rendered compulsory, *Grierson* 2034–2041. 2065–2067. 2076–2078. 2092–2094——Liability to accident under the system; instances on witness's line, *ib.* 2041–2046——Recent uncertainty at the Board of Trade as to the best instruments to be used in carrying out the system, *ib.* 2076.

Use of the block system for many years over the whole of the South Eastern Railway, witness having a high opinion as to its value, especially where the traffic is heavy, *Eborall* 2139–2143. 2158–2168——Grounds for objecting to the enforced adoption of the system on all lines, *ib.* 2144. 2158–2167. 2200——Statement as to the relative amount of compensation paid by witness's company and by companies who only adopt the block system partially, *ib.* 2178–2195.

Adoption of the block system on the Lancashire and Yorkshire line, where the traffic is heavy; advantage of this mode of working, the extension of which is very desirable, *Blackmore* 2428–2447. 2463, 2464.

Witness, who was formerly connected with the South Eastern Railway, took part in the introduction of the block system, *Knight* 2487. 2525——The system is in operation upon a large section of the Brighton line, and is exceedingly useful in the prevention of collisions, but its universal adoption is not essential, and should not be enforced upon the companies, *ib.* 2488–2505. 2523, 2524.

2. *Views of Colonel Yolland in favour of the Compulsory Adoption of the System:*

Evidence in detail in support of the conclusion that the block system of working is most effectual in the prevention of collisions, and that its compulsory adoption throughout the country is very essential, *Yolland* 1522 *et seq.*——Adoption of the system mainly by small companies; names of these, *ib.* 1524. 1718——Adoption of the system over only sixty-eight miles of the Great Northern Railway, *ib.* 1525——Varying cost per mile in applying the system, *ib.* 1526, 1527——Opinion that it would be no grievance to the large companies in compelling them to adopt the absolute block system over the whole of their lines, *ib.* 1528. 1655.

Advantage if the adoption of the block system were enforced by Act of Parliament, rather than by the Board of Trade, *Yolland* 1529–1531. 1535. 1630, 1631——Absolute necessity of the block system on the Metropolitan and other lines where the traffic is heavy, *ib.* 1534——Impression that 90 per cent. of collisions would be prevented, *ib.* 1562——Practicability of applying the system where there are long intervals between the station, *ib.* 1589–1591.

Pecuniary gain to the companies by adopting the block system, as the cost would be more than covered by the expensive accidents prevented, *Yolland* 1592–1594——Dissent from the view that the block system causes engine-drivers to be less vigilant, *ib.* 1623–1625. 1628, 1629. 1641–1643——Valuable effect of the system as regards accidents at stations, as well as elsewhere, *ib.* 1626, 1627.

Further statement as to the expediency of power in the Board of Trade to compel the general adoption of the block system, *Yolland* 1655–1659——Great value of the system, even though the signals by which worked may occasionally get out of order, *ib.* 1660–1663——Excellent manner in which the system is now worked, though under it accidents may doubtless arise from exceptional causes, *ib.* 1707–1715.

3. *Dissent of Captain Tyler from the foregoing conclusion:*

Important advantages of the block system, though on some lines there is no necessity for it, and it is very inexpedient to make its general adoption compulsory, *Tyler* 1849–1856. 1874, 1875. 1922. 1945–1947. 1971–1976.

4. *Letter from the Board of Trade in* 1869, *urging the adoption of the System:*

Circular letter from the Board of Trade to the railway companies, dated 19th May 1869, impressing upon the companies the advantages of the block telegraph system, and the responsibility incurred through its non-adoption, *App.* 181.

5. *Enumeration of Accidents in* 1868 *which the System would have prevented:*

Extracts from reports of the inspectors of the Board of Trade, relative to accidents which occurred during the last half year of 1868, and which might have been prevented if the block system had been established, *App.* 182, 183.

6. *Details*

Report, 1870—*continued.*

Block System—continued.

6. *Details supplied by the Companies as to the extent of Adoption of the System:*

Information supplied by the several railway companies to the Board of Trade, as to the extent of adoption of the block system, and the reasons in each case for not extending the system over the whole line, *App.* 184–192.

7. *Importance attached to the System by the Committee:*

The committee recommend the evidence in favour of the block system to the careful consideration of boards of directors, *Rep.* vi——The adoption of the system has materially conduced to the safety of the public, *ib.*

Board of Trade:

1. *Evidence of Railway Officials opposed to Compulsory Powers in the Board of Trade.*
2. *Conflicting Views of Colonel Yolland and Captain Tyler on the question of Compulsory Powers.*
3. *Attention paid by the Companies to the Reports and Recommendations by the Inspectors.*
4. *Question as to the Inspectors concurring on the subject of Improvements.*
5. *Want of Legal Powers in the Board to hold Inquiries and to enforce Evidence.*

1. *Evidence of Railway Officials opposed to Compulsory Powers in the Board of Trade:*

Grounds for objecting to increased powers in the Board of Trade to enforce the recommendations of its inspectors as to improved modes of working, *Oakley* 324–333——Examination in support of the conclusion that it would be a great evil if the Board of Trade were empowered to enforce the adoption of its inspectors' recommendations, *O'Brien* 363. 388 *et seq.*——Importance of the direct responsibility of the companies and their officials not being interfered with by a central department, *O'Brien* 363. 423, 424; *Mason* 1383; *Eborall* 2145.

Non-objection to power in the Board of Trade to enforce its recommendations, if it were not for the consequent division of responsibility, *Laing* 1022–1028. 1035, 1036. 1039–1044. 1058, 1059. 1066–1068——Circumstance of the Board of Trade not having originated any improvements in working, *ib.* 1066–1068.

Unsatisfactory operation in Holland and Prussia of the detailed control exercised by Government officials over the working of the railways, *Forbes* 1171. 1205——Evidence opposed to compulsory powers in the Board of Trade, not only as regards the adoption of the block system, but of any other improvement or invention; probability of wrong conclusions being arrived at by the inspectors of the Board, *ib.* 1206–1227——Foregone conclusions frequently arrived at by the inspectors when accidents occur, *ib.* 1225. 1227.

Grounds for objecting to power in the Board of Trade or the inspectors to enforce, instead of to recommend; great weight already carried by the recommendations of the board, *Grierson* 2062–2078. 2090–2094——Non-objection to orders by the Board of Trade, if required to be laid before Parliament before they could be enforced, *ib.* 2122–2124.

Opinion that the introduction or extension of improvements may fairly be left to the companies, and that the compulsory interference of the Board of Trade is not required, *Blackmore* 2465–2468.

2. *Conflicting Views of Colonel Yolland and Captain Tyler on the Question of Compulsory Powers:*

Advantage of compulsory powers of interference in the Board of Trade, the responsibility of the companies not being diminished thereby, *Yolland* 1534–1540. 1601–1607. 1630–1632. 1670–1675——Examination as to the qualifications and experience of the inspectors, and of the members of the Board of Trade, with reference to the question of empowering the latter to enforce the adoption of particular appliances and precautions, *ib.* 1664. 1698–1706——Approval of power in the companies to be heard in objection to any appliances ordered by the Board of Trade, *ib.* 1674–1676——Want of increased pressure upon the companies to adopt improvements, but not by means of direct control in a public department, *ib.* 1848.

Dissent from the opinion of Colonel Yolland that the Board of Trade should exercise compulsory powers over railway companies, *Tyler* 1844–1848. 1873——Further evidence opposed to a power in the Board to compel the adoption of its recommendations, or to control the detailed management of the railways, *ib.* 1922. 1945–1947. 1952. 1971–1976——Disapproval alike of the compulsory adoption of the locking apparatus, as of continuous break or any other improvement, *ib.* 1970–1976.

Report, 1870—*continued.*

BOARD OF TRADE—continued.

3. *Attention paid by the Companies to the Reports and Recommendations by the Inspectors:*

Natural desire of witness's company to carry out the recommendations of the Board of Trade, as relieving the former from responsibility, opposite conclusions being only arrived at after investigation, *O'Brien* 439-441——Careful consideration given by the company to the inspectors' reports on accidents, *ib.* 438, 439——Considerable value attached to the reports of the Board of Trade inspectors where accidents occur, *Allport* 835-838—— Careful attention paid by the companies to the reports and recommendations of the Board of Trade inspectors, *Forbes* 1225, 1226. 1304, 1305—— Due consideration always given by witness's company to the reports of the Board of Trade, *Grierson* 2055-2057. 2064-2073. 2091.

Constant neglect by the companies to adopt improvements or precautions recommended in the inspectors' reports, *Yolland* 1595-1601. 1607—— Less weight to be attached to the recommendations of a newly-appointed inspector than of those experienced in office, *Tyler* 1987-1993.

4. *Question as to the Inspectors concurring on the subject of Improvements.*

The Board of Trade officers do not agree amongst themselves, *Forbes* 1208.

Inaccuracy of the statement as to the Board of Trade not agreeing as to the improvements desirable, *Tyler* 1949. 1951.

5. *Want of Legal Powers in the Board to hold Inquiries and to enforce Evidence:*

Absence of power in the Board of Trade or the inspectors to call witnesses at the inquiries as to compel the companies to supply information, *Yolland* 1513-1517—— Expediency of legal power of inquiry in the Board of Trade, *Tyler* 1857. 1872——Absence of any legal power of inquiry by the Board of Trade further adverted to; this should at once be remedied, *ib.* 1916-1918. 1933-1938. 1953. 1980——Great readiness evinced by the companies to supply information when accidents are being inquired into, *ib.* 1980, 1981.

See also *Communication between Passengers and Guard. Continuous Breaks. Insurance. Responsibility. Tribunal.*

Bramwell, Sir George William W. See *Martin, Sir Samuel, &c.*

Brown, Joseph, Q.C., F.G.S. (Analysis of his Evidence.)—Has studied and written upon the law relating to compensation for accidents, and explains the liability of railway companies in the case of accidents to passengers and to non-passengers respectively, 1084-1091. 1116, 1117——Submits that the companies have good grounds for their complaints, and that the law acts as a great encouragement to fraud and imposture, 1092 *et seq.*

Conclusions as to the injustice of the present law of master and servant, witness contending that the master should not be responsible to an unlimited extent when he has taken the greatest care in the selection of his servants, and when the latter act contrary to his orders, 1093-1102——Proposed exemption from liabity when an accident happens to a stranger owing to negligence on his part, 1100, 1101. 1109, 1110——Approval of the suggestion for a fixed maximum of liability, coupled with a right of passengers to insure, 1102, 1103. 1115.

Great obstruction caused by railway compensation cases to the business generally of the courts, 1105, 1106——Immense increase in the number of actions, accidents having doubtless much increased, 1106-1108——Effect of a diminution of liability in diminishing litigation and costs, 1111-1114——Serious expense on account of medical witnesses, 1113.

Numerous instances of railway companies and others being held liable for accidents, though negligence on their part cannot be proved, 1118, 1119——Anomaly of the exemption under the criminal law, and the unlimited liability under the civil law, 1120——Very harsh and unjust operation of Lord Campbell's Act in many cases, 1121——Unfairness in the companies having no previous knowledge of the value of the life of any passenger, 1121, 1122——Absence of proportion between the amount of damages and the degree of negligence, 1122.

Impolicy of the present law as tending to prevent cheap travelling, and to check the making of railways, 1122. 1125. 1128-1130——Little, if any, advantage of the law as regards the adoption of precautions and improvements in working, 1123, 1124. 1143-1147——Objections to trial by jury in accident cases, although the jury system is one which gives much satisfaction to the public, 1126, 1127——Suggestions for the constitution of a special tribunal for railway cases, 1126.

More heavy damages given against railway companies than against individuals, in similar cases, 1131-1135——Expediency of a Parliamentary limitation of liability, rather than

Report, 1870—*continued.*

Brown, Joseph, Q.C., F.G.S. (Analysis of his Evidence)—*continued.*

than of power in the companies to apply a limitation when issuing tickets, 1136-1138 —— Doubt as to the advantage of a medical referee; difficulty in dispensing with medical evidence on each side, 1139-1142. 1153-1155——Undue sympathy of special juries as well as of ordinary juries in their award of damages, 1148-1152. 1156.

C.

Campbell, Lord (Act of). See *Act* 9 & 10 *Vict. c.* 93.

Carriers Act. Reference to the Carriers Act as containing the principle of limited compensation and compulsory insurance, contended for by witness, *Blenkinsop* 33-36. 86 ——Companies are not liable for valuables beyond 10*l.*, unless insured, *ib.* 33.

Approval of the principle of the Carriers Act, as involving a limitation of liability, but allowing a right to insure in excess of such liability; this principle might fairly be applied to railway passengers, *Sir J. S. Willes* 2230-2236. 2249-2251.

Limitation of the liability of carriers for the conveyance of goods and parcels, adverted to by the Committee, *Rep.* iv.

Claims. Few, if any, persons injured who fail to claim through want of means; facility with which claims may be made even by the poorer classes, *Blenkinsop* 148-155; *Allport* 693-698; *Sir E. W. Watkin* 974——Very few persons injured without claiming compensation, *Blenkinsop* 172, 173——Statement as to workmen not having proper facilities for proceeding with claims for compensation, *Elderton* 2320-2328——Very large sums generally claimed, much smaller sums being often accepted, *Rose* 2374, 2375.

See also *Damages. Lawyers. Notice of Claim.*

Communication between Passengers and Guard. Belief as to the companies readily adopting a plan of communication between passengers and guard, and between guard and driver, on proof of its clear utility, and irrespectively of the recommendations of the Board of Trade, *O'Brien* 433-436——Exception taken to compulsory action for the provision of means of communication between the guard and driver, and the passengers and guard, *Allport* 725-734——Advantage of passenger communication with the guard by means of a rope, as on the Brighton line, rather than by the electric system, *Laing* 1078-1083 ——Uselessness of plans of communication between the driver and the guard, *Forbes* 1206-1208——Mode of communication between passenger and guard adopted on the North British line, *Mason* 1408-1411.

Statement as to the inspectors not having been consulted on the question of communication between passengers and guard, *Yolland* 1537. 1565, 1566——Doubt as to the efficiency of the plans of communication between passengers and guard, save on the South Eastern line, *ib.* 1667-1669——Explanation that Colonel Yolland and witness were in accord as to the best plan of communication between passengers and guard, *Tyler* 1950, 1951.

Satisfactory working of the cord plan of communication between passengers and guard on the Great Western line, *Grierson* 2095-2097——Adoption on the South Eastern line of the electric system of passenger signals; its uselessness, *Eborall* 2196-3106——Uselessness also of the rope plan of communication, *ib.* 2198.

Compensation. See *Damages.*

Compulsory Powers. See *Board of Trade.*

Continuous Breaks. System of breaks in use on the Great Northern line; obstacles to an extended use of continuous breaks, *Oakley* 266-273——Doubt as to the advantage of continuous breaks being such as to justify their compulsory adoption, *Laing* 1036-1039. 1069; *Forbes* 1219-1224.

Consideration of the question of break power, witness contending that continuous breaks afford a valuable check upon collisions, *Yolland* 1615-1623. 1683-1697—— Evidence as to the great advantage of continuous breaks, with suggestions for the more extended application of this improvement, *Tyler* 1893-1903. 1982-1985.

Use of continuous breaks on portions of the Great Western line; liability to their getting out of repair, and thus becoming dangerous, *Grierson* 2047-2054——Sundry particulars relative to the continuous break system, as used over the whole of the Lancashire and Yorkshire Railway; great value thereof as a means of preventing accidents, *Blackmore* 2405-2427. 2448-2451. 2457-2462. 2469-2474——Result of witness's experience of continuous breaks on the South Eastern Railway; though possessing important advantages, they are not free from disadvantages, *Knight* 2506-2517.

The Committee recommend the evidence in favour of continuous breaks to the careful consideration of boards of directors, *Rep.* vi.

Coroners' Inquests (Railway Accidents). Exceptions taken to the system of inquiry by the coroner, *Tyler* 1860. 1940-1942. 1957-1962.

Report, 1870—*continued.*

Costs:

Very heavy costs in contested cases, the medical and legal charges on the side of the plaintiffs being excessive, and almost invariably falling upon the companies, *Blenkinsop* 97–103; *Oakley* 222–224. 313——Instance of payment of 100 *l.* to a washerwoman, the greater part of which was absorbed by her lawyer, *Oakley* 224. 286, 287——Average, as regards the North Eastern Company, of about 300 *l.* per case as the amount of costs on both sides, the costs falling as a rule upon the company, *O'Brien* 358–360——Large proportion of the compensation payments which goes into the pockets of plaintiffs' professional men, *ib.* 365——Very heavy amount of the medical and legal expenses, *Mansel* 508–512.

Circumstance of the legal expenses being frequently in excess of the compensation paid, *Allport* 594. 676.——Frequent payment of sums known to be excessive and unfair, rather than incur the heavy charge for costs, *ib.* 595–598——Uselessness of payment into court, *ib.* 595. 654–656——The costs invariably fall upon the companies, *ib.* 675.

Excessive amount generally paid by the companies in costs; respect in which the amount is unduly enhanced owing to the witnesses called by the companies, *Mr. Baron Martin* 870——Invariable practice of juries to give larger damages than the amount paid into court, *Mr. Baron Martin and Mr. Baron Bramwell* 870, 871——Suggestion that the amount paid into court be kept secret from the jury, *Mr. Baron Bramwell* 870. 872–874——Opinion as to the uselessness of attempting to withhold from the jury the amount paid into court, *Mr. Baron Martin* 870——Beneficial check upon dishonest claims if the claimant did not get his costs unless he recovered a larger sum than was offered by the company, *ib.* 871.

Very heavy costs when cases go into court, the plaintiffs having frequently to pay large fees to the medical and legal men over and above the taxed costs paid by the companies, *Laing* 1003. 1060–1065——Immense grievances of the London and Chatham Company, and of the companies generally, on account of the excessive costs which they have to pay, even when claims break down or only nominal damages are given; instances of this, *Forbes* 1288–1291——Instance of the costs having been 220 *l.* when a fine of only 40 *s.* was awarded against the company, *ib.* 1290.

Intention in Scotland that the amount tendered by the company shall not become known to the jury; advantage of more effectual precautions for withholding such knowledge, *Mason* 1365, 1366. 1396–1404.

Suggestion as regards costs that the amount of compensation tendered and paid into court be kept secret from the jury, *Sir J. Hannen* 1740–1742——Doubt as to juries frequently awarding a sum slightly in excess of the amount paid into court, in order merely to saddle the companies with the costs, *Sir J. S. Willes* 2237–2240——Expensive character of the evidence on each side, so that the costs are necessarily high, *ib.* 2241.

Suggestion that the sum tendered by the companies and paid into court be kept secret from the jury, and that when the damages awarded are less than such sum the claimants be required to pay their own costs, *Rose* 2365–2373——Fairness, in extreme cases, of compelling the claimants to pay the companies' costs as well as their own, *ib.* 2368. 2370——Frequency of the damages awarded being liable to large deduction for payments to doctors and lawyers; the compensation is, in fact, sometimes swallowed up in costs, *ib.* 2400–2402.

Recommendation by the Committee that the costs should in all cases, when the claimant recovers damages, be borne by the company, except when the company should have tendered a sum equal to or larger than the sum recovered, in which case the costs should be in the discretion of the Court, *Rep.* v.

See also *Arbitration.* *Lawyers.* *Litigation.* *Medical Witnesses, &c.*

County Court Judges. Suggestion that if the liability be limited, as proposed by the companies, the cases might be decided by the county court judges, or by medical arbitrators, *Blenkinsop* 50. 68——Advantage if cases were submitted to the county court judges, who might be aided by medical assessors, *Oakley* 239–244——Satisfaction to be given to the companies by a reference of claims to the county court judges, *O'Brien* 368; *Grierson* 2019. 2098, 2099——Approval of the cases being tried by the county court judges, on certain conditions, *Allport* 618. 682, 683. 718.

Doubt as to the expediency of referring the cases to the county court judges, *Mr. Baron Martin and Mr. Baron Bramwell* 885, 886——Grounds for objecting to the county court judges being called upon to determine claims to compensation in respect of railway accidents, *Whitmore* 2004–2008; *Sir J. S. Willes* 2243. 2255.

Coupling Chains. Instances of accident or danger through carriages becoming uncoupled; nature of the precautions adopted in such case, *Forbes* 1328–1334.

Criminal Law. Anomaly of the exemption under the criminal law and the unlimited liability under the civil law, *Brown* 1120——Opinion that there is no necessity for rendering the criminal law more severe as regards negligence on the part of railway servants, *Sir J. Hannen* 1768.

D.

Damages (Compensation):

Very excessive damages given by juries under the present system; sundry instances of this, *Blenkinsop* 9–11. 78–81. 135. 159–161. 182–184. 213; *O'Brien* 354–358. 373–381; *Allport* 658. 681. 699. 758–763; *Grierson* 2012, 2013——Instance of 5,250 *l.* having been awarded to a young clergyman with a stipend of 250 *l.* a year, who was badly injured, *Blenkinsop* 9——Statement as to there being no principle in arriving at the amount of compensation, the juries never being certain, and no two cases being alike, *ib.* 11. 17, 18——Moderate damages given by juries when persons are killed or injured through the fault of private individuals, increased damages being given against companies, *ib.* 24, 25. 84, 85. 118, 119.

Instance of the Great Northern Company having had to pay 9,000 *l.* to the relatives of a person killed, the costs amounting to another 2,000 *l.*, *Oakley* 229——Obstacle to the companies ascertaining the actual profits made by men who send in claims, *ib.* 248, 249——Instance of trifling injury to a sailor, who had paid a fare of 4 *d.*, and who was awarded 400 *l.*, *O'Brien* 376–379——Much larger portion of compensation payments made in cases where death does not result, the latter cases however, though few in number, involving large amounts, *ib.* 466–469.

Frequency of speedy recovery after the compensation is paid, *Mansel* 515——Difficulty through the companies being unable to ascertain the income or profits of the persons injured, *Allport* 661–665.

Conclusion as to the hardship consisting in dishonest claims being brought and dishonest or unfair verdicts given, *Mr. Baron Bramwell* 858——Absence, as a rule, of excessive damage where injury is proved, *Mr. Baron Martin and Mr. Baron Bramwell* 866. 869. 882, 883——Higher damages given against railway companies than under similar circumstances against individuals, *Mr. Baron Martin and Mr. Baron Bramwell* 869; *Brown* 1131–1135——Origin several years ago of the high scale of damages since in force, *Mr. Baron Martin* 869.

Instances of very excessive damages, *Sir E. W. Wathin*, 894——Liability of the companies to excessive damages so long as the existing law is maintained, *Laing* 1045, 1046. 1048——The damages are constantly made the subject of the grossest exaggeration, *Brown* 1092.

Great injustice in the system of compensation for railway accidents, *Tyler* 1858, 1859——Concurrence in the view as to there being great injustice to the companies under the present system, excessive damages being constantly given by juries, and fraudulent claims being often made, *Whitmore* 2004, 2005. 2009——Witness contends that the present law of compensation is very unfair to the companies, and that in the administration of the law very unfair and excessive verdicts are given by the juries, *Eborall* 2130–2133.

Excessive damages given by juries, the railway companies being dealt with as if they were insurance companies, and the damages being calculated on a wrong principle, *Sir J. S. Willes* 2227, 2228——Belief that of late juries have given more moderate sums, *ib.* 2228.

See also *Act* 9 & 10 *Vict.* 93. *Arbitration. Carriers' Act. Costs. Excursion Trains. Fraud. Great Northern Railway. Great Western Railway. Insurance. Judges. Juries. Lawyers. Liability. London and North Western Railway. Management of Railways. Manchester, Sheffield, and Lincolnshire Railway. Midland Railway. Negligence. Nervous Shocks, &c. New Cross Accident. North London Railway. Post Office Clerks. Private Settlement of Claims. Sheriff. Special Juries. Staplehurst Accident. Third Class Passengers. Tribunal. Workmen's Trains.*

E.

Eborall, Cornelius Willes. (Analysis of his Evidence.)—Has had large experience in railway management, chiefly on the South Eastern Line, 2128——Submits some particulars relative to the Staplehurst accident, and the immense loss entailed upon the company by compensation cases, 2128, 2129. 2192–2195——Contends that the present law of compensation is very unfair to the companies, and that in the administration of the law very unfair and excessive verdicts are given by the juries, 2130–2133.

Improvement if accidents were inquired into by a court composed of a Board of Trade inspector, with a medical and a legal assessor, and if the same court dealt with the question of damages, 2133. 2138. 2169–2172——Approval of the limitation of compensation suggested by Mr. Blenkinsop, there being at the same time a right to insure, 2134–2137. 2173, 2174.

Report, 1870—*continued.*

Eborall, Cornelius Willes. (Analysis of his Evidence)—*continued.*

Use of the block system for many years over the whole of the South Eastern Railway, witness having a high opinion as to its value, especially where the traffic is heavy, 2139–2143. 2158-2168——Grounds for objecting to the enforced adoption of the block system on all lines, 2144. 2158–2167. 2200——Inexpediency of central control which should interfere with the responsibility of the companies for accidents, 2145.

Great cost imposed on the South Eastern Company for compensation since 1865; ample inducement for the adoption of all possible precautions, even though the compensation be limited, 2145–2157. 2175-2177. 2191——Statement as to the relative amount of compensation paid by witness's company, and by companies who only adopt the block system partially, 2178-2195——Adoption on the South Eastern line of the electric system of passenger signal; its uselessness, 2196–2206——Uselessness also of the rope plan of communication between passenger and guard, 2198.

Elderton, George Pattison. (Analysis of his Evidence.)—Is a labourer, living at Walthamstow, and working at Crutched Friars, which is six miles distant, 2262-2265——Complaint as to the absence of cheap workmen's trains between Walthamstow and the City, and also between Homerton and the City; short-sighted policy of the railway companies in the matter, 2266 *et seq.*——Claim of the working classes to compensation, in the shape of penny trains, for the wholesale destruction of small houses by the railway companies and the consequent advance in rents, 2267-2276. 2284–2298.

Objection by workmen to the limit of 100 *l.*, as the liability of the companies in case of accident by the cheap trains; expediency rather of the compensation being settled by arbitration, 2277–2283. 2315-2319. 2329–2335——Refusal of the North London Company to run workmen's trains save between Dalston and Broad-street, on account of their liability not being limited; communications from the Secretary on the subject, 2299–2314.

Statement as to workmen not having proper facilities for proceeding with claims for compensation, 2320–2328——Moderate rent of witness's house at Walthamstow; immense number of small houses for workmen at low rents a little way out of London, 2336–2347.

Excursion Trains. Effect of the fear of heavy compensation in checking the running of excursion and other cheap trains, *Blenkinsop* 176–178——Bad accidents sometimes to excursion trains, *Allport* 686-689——Discontinuance of excursion trains by witness on account of the risk incurred, *Sir E. W. Watkin* 996.

Discontinuance of excursion trains on the Glasgow and South Western line on account of the liability for damages, *Mason* 1373——Disapproval of excursion trains of unwieldy length, *Yolland* 1720, 1721——Circumstance of eighty-seven persons having had insurance tickets in the case of the excursion train which recently met with an accident; enhanced premium charged for insurance by these trains, *Vian* 1786-1790.

F.

Facing Points. Great number of facing points still unprotected by signals, it being desirable to empower the Board of Trade to enforce the placing of signals, *Yolland* 1533. 1634–1640——Great delay to trains if facing points were done away with, *Blackmore* 2453, 2454——Objection to dispensing with facing points, as involving the necessity of shunting, *Knight* 2522.——*See* also *Locking Apparatus.*

Fares. Entire absence of proportion between the consideration given to the railway companies for the conveyance of passengers, and the risk run, *Blenkinsop* 27. 30–32. 181——Tendency of the compensation payments to keep up the fares, *ib.* 106——Cause of the higher fares in England than on the Continent and in America, *ib.* 171.

Tendency of the present heavy liability to check reduction of fares, and to bear more upon the poorer than the richer travellers, *Oakley* 232–234——Great hardship to railway companies in being compelled to carry at the same fares passengers whose lives vary greatly in value, *Allport* 575–577. 690, 691. 802–804——Conclusion as to the unfairness of the companies being compelled to pay compensation without reference to the fares received, *ib.* 575-577.

Injurious effect of the law in restricting cheap travelling for the working classes, *Sir E. W. Watkin* 892. 910. 911. 937. 961–963. 975–982. 987, 988. 996——Reduced fares and greater travelling facilities if the liability were limited, *ib.* 937. 961–963. 975–982, 987, 988. 996—— Expediency of a limitation of liability as tending to cheapen fares and the running of workmen's trains, *Laing* 1010. 1047–1049.

Anomaly in the unlimited liability of the companies, without reference to the fare received, *Forbes* 1185——Effect of the present system in preventing reduction of fares, *ib.* 1186—— Hardship in the liability being unlimited whilst the fares are limited, *Grierson* 2014; *Sir J. S. Willes* 2229, 2230.

Opinion

Report, 1870—*continued.*

Fares—continued.

Opinion that, with the protection of the block system, the present fares are high enough to cover the liability, *Yolland* 1546. 1553.

See also *Workmen's Trains.*

Forbes, James Staats. (Analysis of his Evidence.)—Is general manager of the London, Chatham, and Dover Railway, and has also had official experience in connection with the Great Western and Dutch Rhenish Railway, 1157–1161——Statement of the law in France, Germany, and Holland as to the liability for railway accidents; provision as to the question of damages being left to the court, instead of to a jury, 1162——Complaint by railway companies on the Continent as to their liability, though there is some protection against excessive damages in the matter resting with the judges, 1163–1165.

Evidence relative to the block system, as adopted on the London and Chatham Railway, the result being a great additional security in working the traffic, accidents being very rare, 1166–1170. 1194–1204. 1235–1245——Disadvantage of the block system, as inducing carelessness on the part of drivers and others, 1169, 1170. 1172. 1236–1239——Grounds for objecting to the Board of Trade, or any other Government department, enforcing the adoption generally of the block system, 1171, 1172.

Unsatisfactory operation in Holland and Prussia of the detailed control exercised by Government officials over the working of the railways, 1171. 1205——Statement as to the block system not being urgently required, save where the traffic is very heavy and the trains are frequent, with the stations close together, 1172. 1197–1204. 1235. 1277–1281. 1306–1314.

Details relative to the workmen's trains on the London and Chatham line, showing the beneficial operation of the arrangement by which the liability for each passenger was limited to 100 *l.*, the amount to be determined by arbitration, 1173–1178. 1188–1193. 1246–1252. 1282–1285——Great importance of a reference of compensation claims to arbitration by the Board of Trade, or some other department, instead of to a jury, 1173. 1175. 1247–1251. 1285. 1288–1291.

Strong objection to any obligation upon railway companies to run workmen's trains at cheap fares, irrespectively of a limitation of liability, 1178–1184. 1282–1284. 1292–1303——Anomaly in the unlimited liability of the companies, without reference to the fare received, 1185——Effect of the present system in preventing reduction of fares, 1186——Concurrence in the proposal as to passengers insuring their lives up to a certain sum, 1187.

Evidence opposed to compulsory powers in the Board of Trade, not only as regards the adoption of the block system, but of any other improvement or invention; probability of wrong conclusions being arrived at by the inspectors of the Board, 1206–1227——Uselessness of plans of communication between the driver and the guard, 1206–1208——Absence of improvement by the adoption of the locking apparatus, 1209–1211.

Advantage of the plan of a hasp below the handle of the door, though it would be a great annoyance to the passengers, 1212–1214. 1275, 1276——Great difficulty in preventing passengers leaving the carriages before the train has stopped, frequent accidents arising from this cause; expediency of further legislative control of passengers in this and other matters, 1212–1218. 1252–1255. 1267–1276——Doubt as to the advantage of continuous breaks being such as to justify their compulsory adoption, 1219–1224.

Careful attention paid by the companies to the reports and recommendation of the Board of Trade inspectors, 1225, 1226. 1304, 1305——Exception taken to a statement that the rules adopted by the companies are constantly neglected by their servants, and that the latter are not properly punished for breach of rules, 1228–1234——Instances of accidents on the London and Chatham line under the block system, 1240–1245.

Due investigation made whenever trains are late in arriving at stations, and are much behind time in reaching their destination, 1256–1262——Limitation of liability in some of the American States, 1263–1265——Expediency of the maximum of liability not being placed too high, 1266——Unwillingness of the travelling public in England to submit to restrictions calculated to prevent accident, whilst on the Continent this difficulty does not arise, 1267–1276——Other metropolitan companies, besides the London and Chatham, to whom the principle of limited compensation for workmen has been applied, 1286, 1287.

Immense grievance of the London and Chatham Company, and of the companies generally, on accounts of the excessive costs which they have to pay, even when claims break down or only nominal damages are given; instances of this, 1288–1291——Utter fallacy of the notion that a limitation of liability would lead to laxity of administration, 1305——Very large expenditure by witness's company in the adoption of appliances for the safety and comfort of the passengers, *ib.*

Necessity of the block system in working the Metropolitan Railway, whilst it is not required and would be less safe in the case of railways in the country, 1306–1314——Advantage in the platforms being on the same level as the carriages; difficulty and

Report, 1870—*continued.*

Forbes, James Staats. (Analysis of his Evidence)—*continued.*

expense in now carrying out this arrangement, 1315-1321——Systematic and detailed examination of railway plant and rolling stock, in order to detect any flaw or defect which might give rise to accident, 1322-1327. 1346-1348.

Instances of accident or danger through carriages becoming uncoupled; nature of the precautions adopted in such case, 1328-1334——Obstacle to carrying on railway traffic without owners' waggons as well as companies' waggons; belief as to the more perfect character of the latter, 1335-1340——Very ample records kept of the composition of each train, whilst there is a complete history of its progress, 1341-1343——Value of the station masters' daily reports, 1343.

Belief as to the greater efficiency of the administration of the railways by the companies, than would result from Government administration; illustration on this point in Prussia, 1344, 1345——Careful history kept of waggons, engines, &c., so as to ensure an effectual renewal of axles, &c., 1346-1348——Much greater facilities given to the travelling public in England than on the Continent, the risk of accident being consequently greater in this country, 1349-1356——Conclusion as to the fairness of the public bearing some portion of the risk incurred through the pressure for increased facilities, 1356-1358.

Foreign Countries. Much greater liability to accidents in England than in countries where the traffic is small, and the trains slow and infrequent, *Allport* 769-773——State of the law in France, Germany, and Holland, as to liability for railway accidents; provision as to the question of damages being left to the court instead of to a jury, *Forbes* 1162 —— Complaint by railway companies on the Continent as to their liability, though there is some protection against excessive damages in the matter resting with the judges, *ib.* 1163-1165.

Fraud. Approximation to fraud in many of the cases where large damages are demanded, *Blenkinsop* 10——Instances of fraudulent claims being successfully urged, and afterwards detected and punished, *ib.* 197, 198——Cases of attempted fraud upon the Great Northern Company, but without success, *Oakley* 228——Instance of the encouragement given by the law to unscrupulous persons to demand compensation, *ib.* 235, 236.

Particulars of a case of fraud, in which a man claimed 8,000 *l.*, and was awarded 88 *l.* by the jury, *O'Brien* 380——Recent claim against the Brighton Company for 3,000 *l.*, the jury returning a verdict for one farthing, *Mansel* 513, 514——Absence of remedy to the companies, if after paying the compensation, it is discovered that the alleged injuries had no good foundation, *Allport* 706-708.

Absence of fraud in the great majority of cases; instances, however, of gross fraud, *Mr. Baron Bramwell and Mr. Baron Martin* 877-879. 883 —— Particulars of a case of gross fraud against the Midland Company, *Sir S. Martin* 877——Frequent occurrence of fraudulent actions, as well as in the case of railways, *ib.* 878, 879.

Demoralising effect of the law as shown by the contradictory evidence in disputed cases, as well as by the readiness with which persons claim excessive damages, *Sir E. W. Watkin* 893, 894——Instances of fraud against the companies with which witness is connected, *ib.* 894——Several instances of fraudulent claims against the Brighton Company, *Laing* 1005——Several instances of fraudulent claims against witness's Company, *Forbes* 1290.

Large number of fraudulent claims, and of extortionate exactions; several instances in witness's experience, *Pemberton* 1429-1453——Statement as to there being not only numerous cases of exaggerated damages, but very many cases of actual fraud, under the present system, *Sir J. Hannen* 1738, 1739. 1745——Frequent instances of persons being awarded large sums for alleged injuries, whilst after a time they seem as well as ever, and carry on business as usual, *Grierson* 2013——There are many fraudulent cases, *Eborall* 2130.

See also *Abergele Accident. Damages. Liability. Litigation. Nervous Shocks and Internal Injuries.*

G.

Goods. See *Carriers' Act. Liability.*

Government Control of Railways. See *Board of Trade. Responsibility.*

Great Northern Railway. Outline of the course adopted by the Great Northern Company when accidents occur to travellers on their line; private compensation arrangements being made in the great majority of cases, in order to avoid litigation, *Oakley* 218—— Instances of witness's company denying its liability, *ib.* 225-227.

Complaint as to compensation being sometimes awarded where accident has arisen through the plaintiff's neglect; instance of this in the award of 1,500*l.* to a lady who was injured

Report, 1870—*continued.*

Great Northern Railway—continued.

injured by a fall caused by her foot catching in a hole in the carpet, *Oakley* 315–318. 334–337——Practice of witness's company often to agree to a fixed sum for costs, *ib.* 320, 321.

Opinion as to the fairness of the claim for compensation in the case of a lady injured by a fall in consequence of a hole in the carpet, *Mr. Baron Bramwell* 863, 864.

See also *Block System*, 1. *Fraud.*

Great Western Railway. Several instances of the great hardship and injustice suffered by the Great Western Company, on account of the unlimited liability in case of accidents, *Grierson* 2012, 2013——Instance of 24,790 *l.* paid by the company in respect of an accident to a train, the receipts from fares having been about 10 *l.*, *ib.* 2012——Further instance in which the fares came to 87 *l.*, and the payments to 32,230 *l.*, *ib.*

See also *Block System*, 1. *Workmen's Trains.*

Grierson, James. (Analysis of his Evidence.)—Manager of the Great Western Railway; was previously manager of the Shrewsbury Railways, 2010, 2011——Several instances of the great hardship and injustice suffered by the Great Western Company on account of their unlimited liability in case of accidents, 2012, 2013——Frequent instances of persons being awarded large sums for alleged injuries, whilst after a time they seem as well as ever, and carry on business as usual, 2013——Illustrations of the improper practices of some solicitors in fomenting unfounded or excessive claims, for the sake of costs, *ib.*

Great hardship in the fare being limited whilst the liability is unlimited, 2014——Concurrence in the suggestions of Mr. Blenkinsop as to the actual limitation desirable, 2015. 2081——Approval also of the proposed right of insurance in excess of the maximum liability, 2015–2018——Satisfaction to be given to the companies by a reference of claims to the county court judges, 2019. 2098, 2099.

Importance of the medical evidence being provided by the court; views of the late Sir William Lawrence to this effect, 2020——Uselessness of the provision in the Act of 1868 as to a medical referee being nominated by the court, 2020, 2021.

Experience of the Great Western Company on the subject of workmen's trains; claims to a limitation of liability on account of the cheap fares charged, 2022–2033——Explanation as to the extent to which the block system has been adopted on the Great Western line; decided objection to its universal adoption being rendered compulsory, 2034–2041. 2065–2067. 2076–2078. 2092–2094——Experiments being made in order to determine the best mode of extending the system on the Great Western line, 2038. 2077. 2078.——Liability to accident under the block system; instances on witness's line, 2041–2046.

Use of continuous breaks on portions of the line; liability to their getting out of repair, and thus becoming dangerous, 2047–2054——Due consideration always given by witness's company to the reports of the Board of Trade, 2055–2057. 2064–2073. 2091——Steps taken by the company in regard to the locking of points and signals, 2056–2061——Grounds for objecting to power in the Board of Trade or the inspectors to enforce instead of to recommend; great weight already carried by the recommendations of the Board, 2062–2078. 2090–2094.

Disregard of expense by railway authorities if accidents can be prevented thereby, 2074, 2075——Recent uncertainty at the Board of Trade as to the best instruments to be used in carrying out the block system, 2076——Doubt as to first class passengers having good claim to a much higher rate of compensation than should be given to third class passengers, 2079. 2081——Exception taken to the maximum compensation proposed by Captain Tyler, 2082–2085.

Care evinced by the Great Western Company in the appointment and treatment of their servants; system of bonus for good conduct, 2086–2089——Occurrence of accidents chiefly through neglect on the part of the company's servants, 2089——Satisfactory working of the cord plan of communication between passengers and guard on the Great Western line, 2095–2097——Frequent instances of the feelings of juries being improperly led away as against the companies, 2098.

Disadvantage as well as advantage in having the platforms level with the carriages; diversity of professional opinion on this point, 2100–2105——Approval of a court of inquiry comprising a Board of Trade inspector with a legal and a medical assessor, 2106–2108——Advantage of additional powers and facilities in the companies for the examination of carriages and trucks belonging to colliery proprietors and others, 2109–2114——Careful test applied to axle-trees and wheels, 2115–2117.

Objection to a periodical inspection of the lines and plant by the Board of Trade inspectors, irrespectively of accidents, 2118–2121——Non-objection to orders by the Board of Trade, if required to be laid before Parliament before they could be enforced, 2122–2124——Means of arriving at an approximate estimate of the number of traders' waggons on the different railways, 2125–2127.

Report, 1870—*continued.*

H.

Hannen, Sir James. (Analysis of his Evidence.)—Has had considerable experience in the trial of compensation claims for railway accidents, 1722-1724——Dissent from the proposition that railway companies should not be liable for compensation because they take every possible precaution in the way of efficient servants and good administration, 1725-1729——Hardship in the liability of the companies being unlimited; witness approving of a fixed maximum of liability, though he is not prepared to make detailed suggestions on the subject, 1730-1737. 1752-1765.

Approval of passengers having the option of insuring, if the liability of the companies be limited, 1733. 1759, 1760. 1766——Expediency of liability for some damages, as a check upon laxity of administration, 1733. 1761, 1762——Statement as to there being not only numerous cases of exaggerated damages, but very many cases of actual fraud, under the present system, 1738, 1739. 1745——Suggestion as regards costs, that the amount of compensation tendered and paid into court be kept secret from the jury, 1740-1742——Instances of cases taken up by a low class of practitioners, 1746, 1747.

Statement as to the degree of negligence on the part of the companies not being taken into consideration in the assessment of damages, 1748-1751. 1768——Suggestion that railway servants may be induced to take more care if they be allowed to share in the profits from insurance, 1767. 1769, 1770——Opinion that there is no necessity for rendering the criminal law more severe as regards negligence on the part of railway servants, 1768.

Hitchin Accident. Reference to this accident as having cost the Great Northern Company about 20,000 *l.*, it having arisen through the fault of a signal-man whose previous services were unexceptionable, *Oakley* 230.

Horses and Cattle. Limitation under Mr. Cardwell's Act as regards the liability in the case of horses and cattle, *Blenkinsop* 35, 36. 86.

I.

Inspection. Advantage of the system of Government inspection, and of the publicity in connection with accidents, *O'Brien* 363. 389, 390——Disapproval of any extended system of inspection which should lessen the responsibility of the companies and their officers, *Tyler* 1945-1948——Objection to a periodical inspection of the lines and plant by the Board of Trade inspectors, irrespectively of accidents, *Grierson* 2118-2121.

See also *Board of Trade.* *Publicity.* *Responsibility.*

Insurance:

Proposition that the companies be compelled to insure any passenger who wishes it, up to 3,000 *l.* first class, 2,000 *l.* second class, 1,000 *l.* third class, at the rate of 3 *d.* per 1,000 *l.*, *Blenkinsop* 28, 29. 56-62. 107, 108——Impracticability of varying the insurance with reference to the distance travelled, *Blenkinsop* 57. 209, 210; *Vian* 1815-1817——Contemplated annual insurance tickets in the case of persons travelling daily or frequently, *Blenkinsop* 58. 169. 210.

Objection of the Accidental Insurance Company to insure at the rate of 3 *d.* per 1,000 *l.*, *Blenkinsop* 88, 89——Probability of long journey passengers largely availing themselves of a compulsory insurance clause, *ib.* 109, 110——Compulsion upon railway companies as to the insurance of goods, *ib.* 140-142——Difficulty as to insurance where the fares are low, *ib.* 169.

Concurrence in the proposal as to passengers insuring their lives up to a certain sum, *O'Brien* 399-372; *Forbes* 1187; *Grierson* 2015-2018——Evidence in support of the proposition submitted to Mr. Blenkinsop for limiting the liability, with a right of insurance beyond those amounts, *Allport* 577-584. 715. 738-741. 749-757. 787-792——Anticipated loss to the company at the rates of insurance proposed, as explained by Mr. Blenkinsop, *ib.* 716, 717.

Suggestion that passengers might have the option of insuring against negligence by payment of an extra 1 *d.*, and that failing such payment to the company, the latter should not be liable, *Mr. Baron Bramwell* 858——Concurrence of opinion as to the public having no right to complain, if the liability of the companies beyond a certain fixed amount depended upon their being paid a reasonable sum for insurance, *Mr. Baron Martin* and *Mr. Baron Bramwell* 859-861——Approval of passengers having the option of insuring, if the liability of the companies be limited, *Sir J. Hannen* 1733. 1759, 1760. 1766.

Very small proportion of railway passengers who insure, there being little inducement to do so on account of the liability of the railway companies being unlimited, *Vian* 1785. 1792-1795.

Report, 1870—*continued.*

Insurance—continued.

1792–1795. 1832——Sufficiency of a charge of 3 *d.* for an insurance of 1,000 *l.*, in order to cover expenses and leave a small profit; that is, if there were business enough, *Vian* 1810–1812. 1820–1822.

Suggestion that in case of insurance, the amount be paid without litigation being allowed, *Sir J. S. Willes* 2248.

Recommendation by the Committee that if limitation of liability be conceded, the public should have power of insuring with the companies for an additional sum, *Rep.* v ——The amount insured for might be limited to 3,000 *l.* for the first class, 2,000 *l.* for the second class, and 900 *l.* for the third class, *ib.*——The charge should not exceed 3 *d.* for 1,000 *l.* first class, 2 *d.* for 500 *l.* second class, and 1 *d.* for 300 *l.* third class, *ib.*

See also *Carriers' Act.* *Liability.* *Railway Passengers' Assurance Company.*

Interlocking of Points and Signals. See *Locking Apparatus.*

J.

Judges. Trial of the cases, as a rule, before the judges, *Blenkinsop* 21——Views expressed by some of the judges in favour of limitation of liability, *ib.* 49——Instances of judges endeavouring to moderate the views of the juries as to damages, *ib.* 182–185——Advantage of retaining the action of the judges if the liability is not to be limited by law; check thereby upon the juries, *Allport* 671–674. 681–683. 742.

Liability to conflicting decisions as to damages, there being seventeen different judges before whom cases go, *Mr. Baron Martin* 866. 886——Endeavours of witness to keep the damages moderate, *ib.* 866. 882——Suggestion as to more power being given to the judge, without the facility for a new trial on the ground of misdirection, *ib.* 883, 884.

Advantage if the cases were tried by a judge without a jury, as in France and Prussia, *Sir E. W. Watkin* 897, 898——Improvement if there were a power in the judges to withdraw cases from juries, *Whitmore* 2009.

Juries:

Statement as to the disposition of juries to give excessive damages, their feelings and sympathies unduly influencing them, *Blenkinsop* 9–11. 78–81. 135. 159–161. 182–184. 213——Effect produced upon the feelings of juries by the production of the injured passengers in court, *ib.* 9——Difficulty of judges in restraining the juries from giving excessive damages *ib.* 9. 78, 79. 135——Fairness generally of the awards of juries in respect of injuries to goods, there being no sympathy or feeling in these cases, *ib.* 213, 214.

Unduly large payments made by the Great Northern Company, rather than run the risk of a jury, *Oakley* 218——Partial action of juries in generally believing the evidence for the plaintiffs instead of for the companies, *ib.* 288–292. 307–312——Conclusion as to juries being led away by their feelings, and being in the habit of giving excessive damages; several instances of this in the case of witness's company, *O'Brien* 354–358. 373–381——Instances of individual jurymen actuated by vindictive feelings against witness's company, *ib.* 361.

Excessive damages owing chiefly to the sympathies of the juries for the injured, many jurymen also having strong prejudices against the companies, *Allport* 658. 681. 699. 742. 758–763——Prejudicial effect upon the companies through the sympathies of juries with the persons injured, *Sir E. W. Watkin* 897——Special importance of a change of the tribunal, the jury system operating very unjustly, *Laing* 1008, 1009——Objections to trial by jury in accident cases, although the jury system is one which gives much satisfaction to the public, *Brown* 1126, 1127.

Satisfactory settlement if it were known that cases were not to be decided by a jury, *Pemberton* 1498, 1499——Tendency of juries to give too much rather than too little, *Sir J. Hannen* 1745——Frequent instances of the feelings of juries being improperly led away, as against the companies, *Grierson* 2098——Tendency of juries to give excessive damages, unless fraud can be shown; improvement when the matter rests with a sheriff's jury, *Rose* 2352–2354. 2382–2385. 2393–2399.

Complaints by the companies as to the working of the jury system adverted to by the Committee, *Rep.* iv——Opinion of the Committee that trial by jury does not work satisfactorily in cases of compensation, and that a different tribunal is required, *ib.* v.

See also *Costs.* *Damages.* *Special Juries.* *Tribunal.*

Report, 1870—*continued.*

K.

Knight, John Peake. (Analysis of his Evidence.)—Is general manager of the London and Brighton Railway, 2486——Was formerly connected with the South Eastern Railway, and took part in the introduction of the block system, 2487. 2525——The system is in operation upon a large section of the Brighton line, and is exceedingly useful in the prevention of collisions, but its universal adoption is not essential, and should not be enforced upon the companies, 2488-2505. 2523, 2524.

Result of witness's experience of continuous breaks on the South Eastern Railway; though possessing important advantages, they are not free from disadvantages, 2506-2517——Very general use of the locking apparatus on the Brighton line; its advantages in all cases where there are facing points, 2518-2521——Objection to dispensing with facing points, as involving the necessity of shunting, 2522.

L.

Laing, Samuel. (Analysis of his Evidence.)—Is chairman of the Brighton Railway; has also had considerable experience formerly through his connection with the railway department of the Board of Trade, 997-999——Supplies sundry particulars in connection with the New Cross accident, as forcibly illustrating the extreme hardship of the present system of compensation; total cost of about 65,000 *l.* in respect of this accident, the passengers' fares having been under 20 *l.*, and no blame having attached to the company for want of care, 1000-1003. 1010. 1020, 1021.

Very heavy costs when cases go into court, the plaintiffs having frequently to pay large fees to the medical and legal men, over and above the taxed costs paid by the companies, 1003. 1060-1065——Incentive to litigation owing to the nature of the tribunal, 1004——System of professional touting for accident cases, the recovery of costs from the companies being almost a certainty, 1004, 1005——Several instances of fraudulent claims against the Brighton Company, 1005.

Concurrence in the proposal for limiting the liability for accidents, it being at the same time open to the public to insure beyond such limit, 1006. 1008. 1050-1052——Special importance of a change of the tribunal, the jury system operating very unjustly, 1008, 1009——Conclusion favourable to the trial of all cases by a permanent commission or body of arbitrators, 1009. 1052-1057.

Expediency of a limitation of liability as tending to cheaper fares and the running of workmen's trains, 1010. 1047-1049——Advantages attached to the block system of working as now adopted on the Brighton line, 1011-1017——Punishment of servants on the line for infraction of rules, 1018-1021.

Non-objection to power in the Board of Trade to enforce its recommendations, if it were not for the consequent division of responsibility, 1022-1028. 1035, 1036. 1039-1044. 1058, 1059. 1066-1068——Difficulty of the question as to the doors being unlocked on each side; probability of more accidents thereby, 1028-1035. 1070-1075——Doubt as to the expediency of the compulsory adoption of continuous breaks, these being unsuited for some lines, 1036-1039. 1069.

Liability of the companies to excessive damages so long as the existing law is maintained, 1045, 1046. 1048——Necessity of fixing a maximum liability at a reasonably low sum, else the companies would be losers rather than gainers by the change, 1051-1077.——Opinion that the same maximum should apply to all classes of passengers, 1076, 1077——Advantage of passenger communication with the guard by means of a rope, as on the Brighton line, rather than by the electric system, 1078-1083.

Lancashire and Yorkshire Railway. See *Block System*, 1. *Continuous Breaks. Locking Apparatus.*

LAWYERS:

Comments upon the exceptionable part taken in compensation cases by a certain class of attorneys, *Blenkinsop* 9. 19, 20. 66. 186-188——Facility with which the poorer class of travellers find lawyers to take up their case, the costs charged by the latter being often very exceptionable, *ib.* 148-155——Low class of attorneys frequently employed in preferring claims, *Oakley* 219-221——Condemnation of the part taken by a class of attorneys and medical men in trading upon compensation cases; instances of this, *O'Brien* 365-367; *Mr. Baron Martin* 872. 875, 876——Difficulty in settling claims in cases chiefly where a low class of professional men are employed, this being a growing evil, *O'Brien* 491-493.

Comment upon the systematic action of a class of lawyers in persuading people not to settle privately with the companies, *Allport* 598. 694——Exorbitant character of the claims

Report, 1870—*continued.*

LAWYERS—continued.

claims sometimes sent in by the advice of the solicitors, *Allport* 666-670——Great facility with which claims made be made by poor men, there being no difficulty about solicitors or medical witnesses, *ib.* 693-698——Interested motives of the lawyers and doctors for the plaintiffs in bringing cases into court, *ib.* 776-778. 801.

Instance of the improper part taken by attorneys in getting up cases, *Mr. Baron Bramwell* 876——Excessive amount of costs for the legal and medical men employed, this class being interested in the continuance of the present system, *Sir E. W. Watkin* 895, 896——System of professional touting for accident cases, the recovery of costs from the companies being almost a certainty, *Laing* 1004, 1005——Difficulty of settlement when legal advisers interfere on the part of the plaintiffs, *Pemberton* 1497.

Instances of cases taken up by a low class of practitioners, *Sir J. Hannen* 1746, 1747——Illustrations of the improper practices of some solicitors in fomenting unfounded or excessive claims, for the sake of costs, *Grierson* 2013——Instances of cases having got into the hands of disreputable practitioners; refusal of juries to give damages or costs in some of these cases, *Sir J. S. Willes* 2242——Several instances of improper conduct on the part both of legal and medical practitioners, *Rose* 2359-2364.

See also *Costs.*

LIABILITY:

1. *Explanations by the Judges as to the present Law of Liability as regards Railway Accidents.*
2. *Inability of the Companies to limit their Liability by means of Notice.*
3. *Practice almost invariably to admit Liability.*
4. *Complaints as to the present System, the Liability being practically unlimited.*
5. *Suggestions for a Limitation of Liability.*
6. *Exception taken by Colonel Yolland to the proposed Limitation.*
7. *Conclusions and Recommendations of the Committee.*

1. *Explanations by the Judges as to the present Law of Liability as regards Railway Accidents;*

Question considered as to the operation of the law in regard to railway companies being held liable for the acts of their servants, though negligence cannot be proved: explanations hereon in connection with the ordinary law of master and servant, *Mr. Baron Martin* and *Mr. Baron Bramwell* 849-857. 888——Opinion that there is no hardship to the railway companies in the law making them responsible as carriers, though hardship may arise in the application of the law, *Mr. Baron Martin* 858——Difficulty in determining where the liability of a company ends, *ib.* 864.

Conclusion that there is no reason for any difference between the liability of a railway company for the act of its servants, and that of any other employer of labour, *Mr. Baron Bramwell* 888——Dissent from the proposition that railway companies should not be liable for compensation because they take every possible precaution in the way of efficient servants and good administration, *Sir J. Hannen* 1725-1729——Information relative to the liability under the general law of master and servant, and its operation, showing how far it differs from the liability under the law of compensation to railway passengers; contract in the latter case to carry with reasonable safety, *Sir J. S. Willes* 2209-2220.

2. *Inability of the Companies to limit their Liability by means of Notice:*

Absence of power in railway companies to protect themselves by specifying on the tickets that they would not be liable beyond a certain sum, *Allport* 580, 581——Consideration of the question whether railway companies have any legal power to limit their liability, or any right to vary the fare with reference to the value of the life of the person carried, *Mr. Baron Martin* and *Mr. Baron Bramwell* 842-848——Power of the companies to refuse to carry any person, but not to limit their liability if they do carry him, *ib.*——Doubt as to any real protection to the companies if empowered to limit their responsibility by means of notice, as in the case of ordinary carriers, *Mr. Baron Martin* 888——Opinion as to it not being lawful for the companies to stipulate by notice on the tickets that their liability was limited, *Sir J. S. Willes* 2221-2225.

3. *Practice almost invariably to admit Liability:*

Admission of the liability, save when the accident arises from causes over which the company has no control, *Blenkinsop* 12-16——Practice to contest only the amount of compensation, the question of negligence and liability being rarely disputed, *ib.* 114-117.

Report, 1870—*continued.*

LIABILITY—continued.

4. *Complaints as to the present System, the Liability being practically unlimited:*

Hardship in the liability being practically unlimited whilst the fare is limited, and bears no proportion to the risk run, *Blenkinsop* 27. 30-32. 181; *Allport* 575-577. 802-804; *Forbes* 1185; *Grierson* 2014; *Sir J. S. Willes* 2229, 2230 —— Enhanced liability of the companies in its being now held that the compensation should have reference to the future prospects of the person killed or injured, *Blenkinsop* 83. 179.

Hardship in no consideration being given to the fact that the companies takes the best possible means to prevent accidents, by using the best materials, and by employing competent servants, *Oakley* 229-231 ——Ignorance of the companies as to their obligation, when booking a traveller, *ib.* 229 ——Claim of railway companies to a limitation of liability, not merely upon the ground of fraudulent claims, but because their treatment is exceptionally unfair, as compared with omnibus companies, shipowners, and others, *Allport* 801-817.

Witness submits that the present law of compensation for railway accidents is on several grounds impolitic, *Sir E. W. Watkin* 891, 892——Unfair position of railway companies as compared with other carriers, in being compelled to carry all persons presenting themselves, and in being practically precluded from any voluntary contract, *ib.* 902, 903.

Witness, who has studied and written upon the law relating to compensation for accidents, explains the liability of railway companies in the case of accidents to passengers and to non-passengers respectively, *Brown* 1084-1091. 1116, 1117——Witness submits that the companies have good grounds for their complaints, and that the law acts as a great encouragement to fraud and imposture, *ib.* 1092 *et seq.*——Unfairness in the companies having no previous knowledge of the value of the life of any passenger, *ib.* 1121, 1122.

5. *Suggestions for a Limitation of Liability:*

Proposition that under compulsory insurance the liability in case of death be absolute, and be limited to 500 *l.* first class, 300 *l.* second class, and 200 *l.* third class, *Blenkinsop* 28. 68-73. 116-168——Expediency of extending to railway companies the same principle of limitation of liability which has been applied in the case of goods and of horses and cattle, *Blenkinsop* 211, 212; *Oakley* 309-312. 322, 323; *Allport* 575. 585-589. 644-653. 749-757.

Concurrence of witness's directors in the proposal submitted by Mr. Blenkinsop for a limitation of liability and for a compulsory insurance system, *Oakley* 237, 238. 275, 276——Belief that by the proposed limitation of liability no injustice would accrue to persons injured, and that by insuring they would get more than at present, *O'Brien* 364, 365. 382-387.

Concurrence of evidence in support of the proposition submitted to Mr. Blenkinsop for limiting the liability to 500 *l.* for first-class passengers, to 300 *l.* for second-class passengers, and to 200 *l.* for third-class, with a right of insurance beyond those amounts, *Allport* 577-584. 715. 738-741. 749-757. 787-792; *Grierson* 2015. 2081; *Eborall* 2134-2137. 2173, 2174.

Probability of the maximum limit being always awarded against the companies under the proposed limitation, *Mr. Baron Martin* 859——Opinion favourable to the same limited sum for all classes of passengers, without reference to fare, *Sir E. W. Watkin* 907, 908. 991-995; *Laing* 1076, 1077——Concurrence in the proposal for limiting the liability for accidents, it being at the same time open to the public to insure beyond such limit, *Laing* 1006. 1008. 1050-1052——Necessity of fixing a maximum liability at a reasonably low sum, else the companies would be losers rather than gainers by the change, *ib.* 1051. 1077.

Approval of the suggestion for a fixed maximum of liability, coupled with a right of passengers to insure, *Brown* 1102, 1103. 1115; *Tyler* 1861——Suggestion that the amount of liability might bear some proportion to the profits, *Brown* 1115——Expediency of a Parliamentary limitation of liability, rather than of power in the companies to apply a limitation when issuing tickets, *ib.* 1136-1138.

Expediency of the maximum of liability not being placed too high, *Forbes* 1266——Just claim of railway companies to a limitation of liability for accidents, *Mason* 1368.

Hardship in the liability of the companies being unlimited, witness approving of a fixed maximum of liability, though he is not prepared to make detailed suggestions on the subject, *Sir J. Hannen* 1730-1737. 1752-1765——A liability up to 1,000 *l.* would be quite sufficient to prevent laxity, *ib.* 1733——Tendency of juries to give the maximum if a limit be adopted, *ib.* 1765.

Suggestion that the liability be limited to 3,000 *l.* for first-class passengers, 1,500 *l.* for second-class, and 750 *l.* for third-class, *Tyler* 1993-1996——Explanation that in making the foregoing suggestion, witness concludes that the assessment of damages is to be carried out by an entirely new tribunal, *ib.* 1997.

Doubt

Report, 1870—*continued.*

LIABILITY—continued.

5. *Suggestions for a Limitation of Liability*—continued.

Doubt as to first-class passengers having good claim to a much higher rate of compensation than should be given to third-class passengers, *Grierson* 2079. 2081——Exception taken to the maximum compensation proposed by Captain Tyler, *ib.* 2082–2085——Valuable protection to the companies if their liability were limited, *Rose* 2357, 2358.

6. *Exception taken by Colonel Yolland to the proposed Limitation:*

Objection to any limitation of liability, unless further powers be vested in the Board of Trade, *Yolland* 1608–1610.

7. *Conclusions and Recommendations of the Committee:*

Explanation by the Committee as to the present law of liability of railway companies for accidents, *Rep.* iii.——Consideration of complaints relative to the injustice involved in the unlimited liability of the companies in respect of the acts of their servants, *ib.* iii, iv.——Well-grounded character of some of the complaints by the companies as to the administration of the law, *ib.* iv.——Impracticability of the companies diminishing their liability by means of notice to the passengers, *ib.*

Conclusion favourable to a limit being placed upon the liability of the companies, with suggestions as to the amount of such limit, *Rep.* iv, v.——Explanation that it is not proposed to alter the present system of unlimited liability if a different tribunal be established, *ib.* v.

Suggestion that if trial by jury be continued the liability be limited as follows: 1,000 *l.* for first class passengers, 500 *l.* for second class, and 300 *l.* for third class, *Rep.* v.

See also *Act* 9 *&* 10 *Vict. c.* 93. *Carriers Act. Damages. Excursion Trains. Fares. Horses and Cattle. Insurance. Juries. Litigation. Management of Railways. Negligence. Railway Extension. Railway Passengers Assurance Company. Railway Servants. Royal Commission on Railways. Shipping Accidents. United States. Workmen's Trains.*

Limitation of Liability. See *Liability.*

Litigation. Much less probability of litigation if the liability as to compensation were fixed and reduced, as proposed by the companies, *Blenkensop* 69, 70; *Oakley* 242–247——Tendency of a limitation of liability to check litigation, and to discourage the interference of professional harpies, *O'Brien* 383–385——Improbability of many fraudulent claims or of many cases going into court if the liability were limited to the sums already named, *Allport* 674. 676. 695. 743–748. 793–801.

Statement as to the companies never defending a case if they can help it, *Mr. Baron Bramwell* 870——Incentive to litigation owing to the nature of the tribunal, *Laing* 1004.

Great obstruction caused by railway compensation cases to the business generally of the courts, *Brown* 1105, 1106——Immense increase in the number of actions, accidents having doubtless much increased, *ib.* 1106–1108——Effect of diminution of liability in diminishing litigation and costs, *ib.* 1111–1114.

See also *Costs. Damages. Lawyers.*

Local Inquiry. Contemplated power of inquiry on the spot in cases of accident, *Rep.* v.

See also *Board of Trade*, 5.

Locking Apparatus. Advantages of a plan of locking points and signals, and also of wedging points, this being sure to come into use without enforcement by the Board of Trade, *O'Brien* 418, 419——Exception taken to the interlocking of signals and points, *Allport* 637——Absence of improvement by the adoption of the locking apparatus, *Forbes* 1209–1211.

Importance attached to the interlocking of points and signals, especially in connection with the block system, *Yolland* 1567–1569. 1601. 1652–1654——Statement as to the locking apparatus at junctions not having been adopted to the desired extent, many accidents having occurred through this default; difficulty on account of the expense and the existence of patents, *Tyler* 1967–1969. 1998, 1999——Comment upon the refusal of the Midland Company for some time to adopt the locking apparatus at junctions, *ib.* 1967.

Steps taken by the Great Western Company in regard to the locking of points and signals, *Grierson* 2056–2061——Expediency of an adoption of the locking apparatus whenever there are facing points; practice hereon on witness's line, *Blackmore* 2452–2456. 2475–2485——Very general use of the locking apparatus on the Brighton line; its advantage in all cases where there are facing points, *Knight* 2518–2521.

The Committee recommend the evidence relative to the interlocking of signals and points to the careful consideration of boards of directors, *Rep.* vi.

Report, 1870—*continued.*

Locking of Doors. Conclusion as to the inexpediency of compelling the companies to leave the doors on each side unlocked, witness however approving of this practice, and of its being done voluntarily, *O'Brien* 410–417. 425–427——Approval of the present arrangements in regard to the doors being locked on the off side, *Allport* 735–737.

Difficulty of the question as to the doors being unlocked on each side; probability of more accidents thereby, *Laing* 1028–1035. 1070–1075——Advantage of the plan of a hasp below the handle of the door, though it would be a great annoyance to the passengers, *Forbes* 1212–1214. 1275, 1276.

Doubt as to the advantage of a hasp in addition to the present handles to the doors, *Yolland* 1646–1648——Objection to compulsory orders by the Board of Trade as to the opening and shutting of doors, *ib.* 1716, 1717.

Suggestions relative to locking doors of railway carriages, witness proposing that the doors be not locked on either side, and approving of the plan of a hasp or additional fastening, as on the continent, *Tyler* 1885–1892.

London, Brighton, and South Coast Railway. See *Block System*, 1. *Fraud. Locking Apparatus. New Cross Accident.*

London, Chatham, and Dover Railway. Very large expenditure by witness's company in the adoption of appliances for the safety and comfort of the passengers, *Forbes* 1305.

See also *Block System*, 1. *Workmen's Trains.*

London and North Western Railway. Average of from 60,000 *l.* to 80,000 *l.* a year paid by witness's company in compensation to passengers; the amount last year was 73,000 *l.*, *Blenkinsop* 90–96——Settlement by the company of about three-fourths of the claims without litigation, *ib.* 113.

Return of the number of accidents, amount of compensation, and number of persons killed and injured during the years 1868 and 1869, *App.* 193, 194——Statement of the number of persons to whom compensation has been paid in 1868 and 1869, and the amounts paid, *ib.* 194——Particulars relative to the number of servants killed and injured in 1868 and 1869, *ib.* 195.

M.

Management of Railways. Grounds for the conclusion that the management of the railways would in no wise be less careful, if the element of compensation for accidents were withdrawn, *Blenkinsop* 74–77. 136–139. 162–165. 170. 205, 206—— Great loss to the companies when accidents occur, irrespectively of the loss through compensation; equal care taken if there were no liability on the latter ground, *Blenkinsop* 74–77. 136–139. 162–165; *Allport* 623——Fallacy of the idea that railway directors do not take sufficient interest in the prevention of accidents, *Blenkinsop* 207, 208.

Ample pressure upon the companies to guard against accidents, irrespectively of the expense of compensation, *O'Brien* 351, 352. 363——Doubt as to any means of improving the present system as regards the pressure upon the companies to adopt the safest modes of working, *ib.* 362, 363. 388–391——Adoption of all possible improvements without reference to the amount paid in compensation, *ib.* 476.

Excellent arrangements adopted for the safety of passengers, there being rarely, if ever, any culpable negligence, and the servants being very efficient, *Mr. Baron Martin* and *Mr. Baron Bramwell* 860. 862. 865. 867. 868——Conclusion that a limitation of the companies liability would have no effect in lessening the precautions taken, *ib.* 887.

Ample inducement to the companies to guard against accidents, irrespectively of the liability to compensation, *Sir E. W. Watkin* 939——Little, if any, advantage of the law as regards the adoption of precautions and improvements in working, *Brown* 1123, 1124. 1143–1147——Utter fallacy of the notion that limitation of liability would lead to laxity of administration, *Forbes* 1305——Belief as to the greater efficiency of the administration of the railways by the companies than would result from Government administration, illustration on this point in Prussia, *ib.* 1344, 1345.

Constant omission of the companies to adopt improvements until the want of them is shown by accidents on their own lines, *Yolland* 1532, 1533. 1607——Expediency of liability for some damages, as a check upon laxity of administration, *Sir J. Hannen* 1753. 1761, 1762——Circumstance of improvements being sometimes adopted most readily on the less profitable lines, *Tyler* 1977–1979——Disregard of expense by railway authorities if accidents can be prevented thereby, *Grierson* 2074, 2075.

See also *Block System*, 1. *Board of Trade. Plant. Railway Servants.*

Manchester, Sheffield, and Lincolnshire Railway. Payment of 27,000 *l.* in compensation, exclusive of expenses, by the Sheffield Company in three years, the gross passenger traffic being about 400,000 *l.* a year, *Sir E. W. Watkin* 938. 946, 947.

Mansel,

Report, 1870—*continued.*

Mansel, Robert Stanley. (Analysis of his Evidence.)—Is manager of the North London Railway 494, 495——Submits a return relative to the accidents on the line, the compensation paid, &c., in each of the years 1866–69; total of eleven accidents and of 18,196 *l.* paid in compensation and expenses, 496–498——Very low fares on the whole, though there are only first and second class passengers, 499–501. 548, 549——Working of the line on the block system, the trains being supplied with continuous breaks, 502, 503.

Great difficulty of railway companies in resisting claims for compensation, more especially when the injuries are in the shape of an internal shock, 405–507 —— Very heavy amount of the medical and legal expenses, 508–512 —— Recent claim against the Brighton Company for 3,000 *l.*, the jury returning a verdict for one farthing, 513, 514 ——Instance of a passenger by the North London line, whose fare was 4 *d.*, having recovered 2,300 *l.* for injuries, 515——Frequency of speedy recovery after the compensation is paid, *ib.*——Examination as to the facilities offered by the North London Railway to the labouring classes, and as to the fares charged, 516, *et seq.*

Limit of liability to 100 *l.* in case of trains between Dalston and Broad-street, 524 —— Explanation in regard to workmen's trains not being run from Homerton, there being no limit of liability in case of accident, and it being doubtful whether such trains would pay, 523–542. 569, 570——Unremunerative character of the penny trains now run over part of the line, 542. 565–568.

Tendency of the block system to induce carelessness as to signals; several accidents under the system on the North London line, 550–555——Sufficiency of porters for attending to the trains on arrival at the stations, 556–558——Similar level, of the platforms at some of the stations and of the carriage doors; advantage of this arrangement, 559–565.

Martin, Sir Samuel, Knight, and Sir George William W. Bramwell. (Analysis of their Evidence.)—Have had large experience in the trial of claims for compensation on account of railway accidents, 839–841——Consideration of the question whether railway companies have any legal power to limit their liability, or any right to vary the fare with reference to the value of the life of the person carried, 842-848——Power of the companies to refuse to carry any person, but not to limit their liability if they do carry him, 842.

Question considered as to the operation of the law in regard to the companies being held liable for the acts of their servants, though negligence cannot be proved; explanations hereon in connection with the ordinary law of master and servant, 849–857. 888.

(*Mr. Baron Martin.*) Opinion that there is no hardship to the railway companies in the law making them responsible as carriers, though hardship may arise in the application of the law, 858——(*Mr. Baron Bramwell*). Conclusion as to the hardship consisting in dishonest claims being brought, and dishonest or unfair verdicts given, *ib.*—— Suggestion that passengers might have the option of insuring against negligence by payment of an extra 1 *d.*, and that failing such payment to the company the latter should not be liable, *ib.*

(*Mr. Baron Martin and Mr. Baron Bramwell.*) Concurrence in opinion as to the public having no right to complain if the liability of the companies beyond a certain fixed amount depended upon their being paid a reasonable sum for insurance, 859–861 ——(*Mr. Baron Martin.*) Probability of the maximum limit being always awarded against the companies under the proposed limitation, 859——(*Mr. Baron Martin and Mr. Baron Bramwell.*) Excellent arrangements adopted for the safety of passengers, there being rarely if ever any culpable negligence, and the servants being very efficient, 860. 862. 865. 867. 887.

(*Mr. Baron Bramwell.*) Opinion as to the fairness of the claim for compensation in the case of a lady injured, after the journey was over, by a fall in consequence of a hole in the carpet, 863, 864——(*Mr. Baron Martin.*) Difficulty in determining where the liability of a company ends, 864——Liability to conflicting decisions as to damages, there being seventeen different judges before whom cases go, 866. 886——Endeavours of witness to keep the damages moderate, 866. 882——(*Mr. Baron Martin and Mr. Baron Bramwell.*) Absence as a rule, of excessive damages, where injury is proved, 866. 869. 882, 883.

(*Mr. Baron Martin.*) Instance of excessive damages in the case of a person killed in the Staplehurst accident, 866——(*Mr. Baron Bramwell.*) Mistake of the companies in having cases tried before special juries, *ib.*——Abuse on account of the juries not finding that the negligence often rests with the persons injured, 866. 883, 884 ——(*Mr. Baron Martin.*) Statement as to its being open to the companies to prove negligence in the plaintiffs, and to obtain a verdict on that ground, 867, 868.

(*Mr. Baron Martin and Mr. Baron Bramwell.*) Higher damages given against railway companies than, under similar circumstances, against individuals, 869——

Report, 1870—*continued.*

Martin, Sir S., Knight, and Sir G. W. W. Bramwell. (Analysis of his Evidence)—*contd.*

Question as to the damages being higher against railway companies than against steamboat companies or omnibus companies, *Mr. Baron Martin and Mr. Baron Bramwell* ——Invariable practice of juries to give larger damages than the amount paid into court 870, 871——(*Mr. Baron Martin.*) Excessive amount generally paid by the companies in costs; respect in which the amount is unduly enhanced owing to the witnesses called by the companies, 870.

(*Mr. Baron Bramwell.*) Suggestion that the amount paid into court be kept secret from the jury, 870. 872–874——Statement as to the companies never defending a case if they can help it, 870——(*Mr. Baron Bramwell and Mr. Baron Martin.*) Concurrence in the suggestion that when there are numerous claims arising out of the same accident, they be all submitted to the Board of Trade, and be dealt with by one tribunal; great saving thereby in the costs, 870, 871. 881——(*Mr. Baron Martin.*) Opinion as to the uselessness of attempting to withhold from the jury the amount paid into court, 870—— Beneficial check upon dishonest claims if the claimant did not get his costs unless he recovered a larger sum than was offered by the company, 871.

Impression as to a certain class of medical men, and of lawyers trading in compensation cases, the bills sent in by the former being sometimes very excessive, 872. 875, 876 ——(*Mr. Baron Bramwell.*) Instance of the improper part taken by attornies in getting up cases, 876——(*Mr. Baron Bramwell and Mr. Baron Martin.*) Suggestion that medical experts should not be called on the nomination of either plaintiff or defendant; they might be appointed by the Board of Trade, 876. 880.

Statement as to the difficulty of arriving at the truth in concussion cases, 877, 878—— Absence of fraud in the great majority of cases; instances, however, of gross fraud, 877–879. 883——(*Mr. Baron Martin.*) Frequent occurrence of fraudulent actions as well as in the case of railways, 878, 879——Advantage if more power could be given to the judge, without the facility for a new trial on the ground of mis-direction, 883, 884——Doubt as to the necessity of any alteration of the time within which claims may be made, 884.

(*Mr. Baron Martin and Mr. Baron Bramwell.*) Statement of cases in which the injuries complained of arose through the negligence of the plaintiffs rather than of the companies, 884——Doubt as to the expediency of referring the cases to the county court judges, 885, 886—— Conclusion that a limitation of the companies' liability would have no effect in lessening the precautions taken, 887.

(*Mr. Baron Martin.*) Explanation as to its being now the law that railway companies are not liable for accident or injury to their servants, 888——(*Mr. Baron Bramwell.*) Conclusion that there is no reason for any difference between the liability of a railway company for the acts of its servants, and that of any other employer of labour, *ib.*—(*Mr. Baron Martin.*) Doubt as to any real protection to the companies if empowered to limit their responsibility by means of notice, as in the case of ordinary carriers, *ib.*

Mason, Samuel Lack. (Analysis of his Evidence.)—Is manager of the North British Railway; represents also the Glasgow and South Western Railway, 1359–1361—— Statement as to the plaintiffs, in accident cases in Scotland, being liable for the costs of both sides if the jury return a smaller amount of damages than the amount tendered by the companies in settlement, 1362–1364. 1396——Intention that the amount tendered by the company shall not become known to the jury; advantage of more effectual precautions for withholding such knowledge, 1365, 1366. 1396–1404——Satisfactory composition of the juries in Scotland for deciding compensation cases, 1367. 1405–1407.

Just claim of railway companies to a limitation of liability for accidents 1368—— Tendency of a limitation of liability in Scotland to encourage the running of workmen's trains, 1369–1372. 1386–1388——Discontinuance of excursion trains on the Glasgow and South Western line on account of the liability for damages, 1373.

Adoption of the block system on part of the North British Railway; particulars hereon to the effect that the system has great advantages, but does not secure freedom from accident 1374–1382. 1384, 1385. 1394, 1395, 1412–1415——Decided objection to the block system on mineral lines, as not being required, and as being attended with ruinous expense; illustration in the case of the North British and Glasgow and South Western Companies, 1377. 1389–1393. 1416——Inexpediency of the block system being made compulsory on the companies, 1382.

Exceptions taken to the action of the Procurator Fiscal in Scotland in connection with railway accidents, 1382, 1383. 1395——Importance of the direct responsibility of the companies and their officials not being interfered with, 1383——Disregard of expense in the management of the North British line as regards safety 1384——Very few accidents on the line, 1394, 1395——Mode of communication between passenger and guard adopted on the line, 1408–1411——Gradual adoption of the block system on the Glasgow and South Western line, 1416——Reference to the inquiry by the Procurator Fiscal in Scotland as being secretly conducted, there being no coroner's inquiry, 1417–1419.

Master and Servant, Law of. Conclusions as to the injustice of the present law of master and servant, witness including that the master should not be responsible to an unlimited extent

Master and Servant, Law of—continued.

extent where he has taken the greatest care in the selection of his servants, and when the latter act contrary to his orders, *Brown* 1093–1102.

Consideration by the Committee of the general law of liability as regards master and servant; conclusion adverse to any alteration, *Rep.* iii, iv.

See also *Liability.*

Medical Witnesses and Referees. Comment upon the action of a class of medical men and of lawyers who lay themselves out for compensation cases on account of the costs, *Blenkinsop* 9. 19, 20. 66; *O'Brien* 365–367; *Allport* 693–698. 776–778. 801; *Sir E. W. Watkin* 895, 896; *Rose* 2359–2364——Practice of juries to concur in the medical testimony on the part of those injured, and to disregard the medical evidence for the companies, *Blenkinsop* 65–67. 104——Large fees charged by the plaintiffs' medical witnesses who act rather as advocates, *ib.* 103. 189–194.

Very little difficulty experienced by the companies as regards medical examination of the persons injured, *Blenkinsop* 104, 105. 120–128——Practice of witness's company as to retaining local medical men who act at once when an accident occurs, *ib.* 156.

Reference to the medical witnesses for the plaintiffs as being frequently advocates rather than witnesses, *Allport* 685.

Great expense in respect of medical witnesses on both sides, *Mr. Baron Martin* 870——Impression as to a certain class of medical men, and of lawyers trading in compensation cases, the bills sent in by the former being sometimes very excessive, *ib.* 872. 875, 876——Suggestion that medical experts should not be called on the nomination of either plaintiff or defendant; they might be appointed by the Board of Trade, *Mr. Baron Bramwell and Mr. Baron Martin* 876. 880.

Very heavy amount of the medical charges of costs, *Laing* 1062–1065; *Brown* 1113——Doubt as to the advantage of a medical referee; difficulty in dispensing with medical evidence on each side, *Brown* 1139–1142. 1153–1155.

Comment upon the action of a class of medical men in supplying testimony in support of exaggerated or unfounded claims; unwillingness on the other hand of many medical men of eminence to appear in these cases, *Pemberton*, 1428–1430. 1443. 1482–1490. 1503–1508——Importance of the action of a medical referee as a check upon the medical evidence for the plaintiffs, *ib.* 1503–1508.

Importance of the medical evidence being provided by the court; views of Sir William Lawrence to this effect, *Girerson* 2020——Uselessness of the provision in the Act of 1868 as to a medical referee being nominated by the court, *ib.* 2020, 2021.

See also *Costs. Nervous Shocks, &c. Tribunal.*

Mellor, Mr. Justice. Views of Mr. Justice Mellor in favour of a limitation of the liability of railways in case of accidents, *Blenkinsop* 49.

Midland Railway. Total of 143,000 *l.* paid by the Midland Company, in compensation cases in the last five years, nearly 19,000 *l.* of which was for costs, *Allport* 590–592——Difficulty in stating the amount in respect of goods, *ib.* 593, 594.

In illustration of the great abuses under the present system, and in proof of the very excessive payments exacted, as well as of the frauds perpetrated, witness submits details of numerous cases of accident and of compensation claims, which have passed through his hands as manager of the Midland Railway, *Allport* 599–614. 639–643. 700——Instances of witness's company having been made liable for accidents at stations to persons not travelling by the line, *ib.* 677–681.

See also *Block System,* 1.

N

Negligence. Several instances of injury, and of compensation under circumstances in which neglect or blame should not fairly be attached to the companies, *Blenkinsop,* 199–204——Impression as to the willingness of the companies to admit negligence in all cases if the liability be limited, *Allport* 778–786.

Abuse on account of the juries not finding that the negligence often rests with the person injured, *Mr. Baron Bramwell,* 866. 883, 884——Statement as to its being open to the companies to prove negligence in the plaintiffs, and to obtain a verdict on that ground, *Mr. Baron Martin* 867, 868; *Sir J. S. Willes* 2254——Statement of cases in which the injuries complained of arose through the negligence of the plaintiffs rather than of the companies, *Mr. Baron Martin and Mr. Baron Bramwell* 884.

Proposed exemption from liability when an accident happens to a stranger, owing to negligence on his part, *Brown* 1100, 1101. 1109, 1110——Numerous instances of railway companies, and others being held liable for accidents, though negligence on their part cannot

Report, 1870—*continued.*

Negligence—continued.

cannot be proved, *Brown* 1118, 1119——Absence of proportion between the amount of damages and the degree of negligence, *ib.* 1122.

Great difficulty in preventing passengers leaving the carriages before the train has stopped, frequent accidents arising from this cause; expediency of further legislative control of passengers in this and other matters, *Forbes* 1212–1218. 1252–1255. 1267–1276.

Frequent instances of accidents through culpable negligence, *Yolland* 1573–1575—— Difficulty in preventing accidents through fault of the passengers in leaving the trains too hurriedly, *ib.* 1644–1646.

Statement as to the degree of negligence on the part of the companies not being taken into consideration in the assessment of damages, *Sir J. Hannen* 1748–1751. 1768—— Advantage of the liability, if limited, not being affected by the question of negligence, *Tyler* 1862–1864.

See also *Liability. Master and Servant, Law of. Railway Servants.*

Nervous Shocks and Internal Injuries. Especial difficulty in resisting excessive damages for nervous shocks, though the persons injured are sometimes soon at work again, *Blenkinsop* 9. 156–158. 195–198—— Difficulty of the companies in the case more especially of alleged internal injury, or shock to the nervous system; frequent instances of abuse and extortion, *Oakley* 225. 235. *Mansel* 504–507; *Allport* 599 *et seq.* 684, 685. 700—— Instances of heavy damages paid by the North Eastern Company in respect of so-called nervous shocks and of trifling injuries; very small fare paid to the company in some of these cases, *O'Brien* 371–381—— Payment of 1,800 *l.* to a clergyman whose fare was 1 *s.* 6 *d.*, and who does not seem any the worse for the shock of which he complained, *ib.* 374, 375.

Statement as to the difficulty of arriving at the truth in concussion cases, *Mr. Baron Bramwell* and *Mr. Baron Martin* 877, 878—— Great suspicion with which witness looks upon cases of alleged injuries from concussion, *Sir E. W. Watkin* 934. 969, 970—— Dissent from the view that serious nervous shocks are often slow in showing themselves, *Pemberton* 1469–1476——Inability of medical witnesses for the companies to contend with cases of alleged nervous shocks, *ib.* 1500–1502.

See also *Damages. Fraud.*

New Cross Accident. Sundry particulars in connection with the New Cross accident, as forcibly illustrating the extreme hardship of the present system of compensation; total cost of about 65,000 *l.* in respect of this accident, the passengers' fares having been under 20 *l.*, and no blame having attached to the company for want of care, *Laing* 1000–1003. 1010. 1020, 1021.

Details relative to several fraudulent claims which arose out of the New Cross accident; several instances also of very excessive damages, *Rose* 2350–2356——Within two days of the accident 400 claims were sent in, *ib.* 2355.

North British Railway. Disregard of expense in the management of the North British line as regards safety, *Mason* 1384——Very few accidents on the line, *ib.* 1394, 1395.

See also *Block System*, 1.

North Eastern Railway. Large amount of compensation paid by witness's company, the amount fluctuating greatly in different years, and depending entirely upon chance, *O'Brien* 343–350——Settlement of the great majority of cases without incurring the risk of a jury and of heavy costs, *ib.* 380.

Particulars relative to the full investigation by officials and directors whenever an accident occurs on the North Eastern line; careful consideration given on such occasions to the report by the officer of the Board of Trade, *O'Brien* 438, 439.

See also *Block System*, 1.

North London Railway. Witness submits a Return relative to the accidents on this line, the compensation paid, &c., in each of the years 1866–69; total of eleven accidents, and of 18,196 *l.* paid in compensation and expenses, *Mansel* 496–498——The total fare received from the claimants amounted to 3 *l.* –*s.* 6 *d.*, or an average of 6 *d.* per head, *ib.* 497——Very low fares on the whole, though there are only first and second class passengers, *ib.* 499–501. 548, 549—— Working of the line on the block system, the trains being supplied with continuous breaks, *ib.* 502, 503——Instance of a passenger by the North London line, whose fare was 4 *d.*, having recovered 2,300 *l.* for injuries, *ib.* 515——Sufficiency of porters for attending to the trains on arrival at the stations, *ib.* 556–558.

See also *Block System*, 1. *Workmen's Trains.*

Notice of Claims. Recommendation by the Royal Commission that claims should not be admitted unless made within a certain period, *Blenkinsop* 46—— Want of a reasonable limit of time during which notice of claims should be given, *ib.* 129–134. 174, 175——Expediency of limiting the time within which claims may be made, six months being ample, *Allport* 621, 622. 701–703.

Doubt

Report, 1870—*continued.*

Notice of Claims—continued.

Doubt as to the necessity of any alteration of time within which claims may be made, *Mr. Baron Martin* 884.

Illustration of the want of limit upon the time after an accident within which notice should be served upon the company; witness does not propose any limit of time for actual claims, *Sir E. W. Watkin* 894, 895. 901. 933, 934. 948–953. 969–973.

Approval of its being necessary to give notice of claim within a certain period, *Sir J. S. Willes* 2252, 2253——Expediency of notice of injury or of intended claim being given within a short time after the accident, *Rose* 2376–2381.

Recommendation by the Committee that notice of possible or probable claims should be given within a limited specified time from the date of the accident, and that in default thereof no claim should be established, *Rep.* v.

Number of Accidents. Preparation by witness of a table showing the accidents in 1867, 1868, and 1869; this table delivered in, *Volland* 1519–1521——Much greater number of persons injured than are reported by the Board of Trade, *Vian* 1821. 1823, 1824—— Occurrence of many small accidents which are not worth reporting to the Board of Trade, *Tyler* 1943.

O

Oakley, Henry. (Analysis of his Evidence.)—Secretary to the Great Northern Railway Company; has had considerable experience of compensation claims, 215–217—— Outline of the course adopted by the company when accidents occur to travellers on their line, private compensation arrangements being made in the great majority of cases, in order to avoid litigation, 218——Unduly large payments made rather than run the risk of a jury, *ib.*——Low class of attorneys frequently employed in preferring claims, 219–221—— Very heavy costs in contested cases, the medical and legal charges on the side of the plaintiffs being excessive, 222–224.

Facilities for exaggerated claims, more especially when there is alleged injury to the nervous system, 225. 235——Instances of witnes's company denying its liability, 225–227——Cases of attempted fraud upon the company, but without success, 228—— Ignorance of the company as to its obligation when booking a traveller, 229——Hardship in no consideration being given to the fact that the company takes the best possible means to prevent accidents, by using the best materials and by employing competent servants, 229–231.

Tendency of the present heavy liability to check reduction of fares, and to bear more upon the poorer than the richer travellers, 232–234——Instance of the encouragement given by the law to unscrupulous persons to demand compensation, 235. 236——Concurrence of witness's directors in the proposal submitted by Mr. Blenkinsop for a limitation of liability, and for a compulsory insurance system, 237, 238. 275, 276.

Advantage if cases were submitted to the county court judges, who might be aided by medical assessors, 239–244——Much less probability of litigation if the liability as to compensation were fixed and reduced, as proposed by the companies, 242–247——Obstacle to the companies ascertaining the actual profits made by men who send in claims, 248, 249.

Information relative to the block system as adopted on portions of the Great Northern line, the system being very effectual in preventing accidents between stations, but not at stations, where accidents chiefly occur, 250–265. 277–285. 293–306——System of breaks in use on the Great Northern line; obstacles to an extended use of continuous breaks, 266–273——Partial action of juries in generally believing the evidence for the plaintiffs instead of for the companies, 288–292. 307–312.

Impracticability of immunity from accidents under the block system or any other system; circumstances under which the former may aggravate accidents, 293–296—— Witness concurs generally in the evidence of Mr. Blenkinsop, 307, 308. 319——Protection of the companies if the same law of liability were applied to passengers as to goods 309–312. 322, 323—— Frequent instances of excessive charges on the part of professional witnesses against the companies, 313——Instances of cases taken up as mere speculations, 314.

Complaint as to compensation being sometimes awarded where accident has arisen through the plaintiff's neglect; instance of this in the award of 1,500*l.* to a lady who was injured by a fall caused by her foot catching in a hole in the carpet, 315–318. 334–337 —— Practice of witness's company often to agree to a fixed sum for costs, 320, 321—— Grounds for objecting to increased powers in the Board of Trade to enforce the recommendations of its inspectors as to improved modes of working, 324–333.

Report, 1870—*continued.*

O'Brien, Captain William. (Analysis of his Evidence.)—Long experience of witness as general manager and secretary of the North Eastern Railway, 338, 339 ——Concurrence in the evidence of Mr. Blenkinsop and Mr. Oakley, 340–342——Large amount of compensation paid by witness's company, the amount fluctuating greatly in different years, and depending entirely upon chance, 343–350—— Ample pressure upon the companies to guard against accidents, irrespectively of the expense of compensation, 351, 352. 363.

Effect of excessive damages in leading to an excessive punishment of railway servants, 352, 353——Conclusion as to juries being led away by their feelings, and being in the habit of giving excessive damages; several instances of this in the case of witness's company, 354–358, 373–381 ——Average of about 300*l.* per case as the amount of costs on both sides, the costs falling as a rule upon the company, 358–360——Instances of individual jurymen actuated by vindictive feelings against the company, 361.

Doubt as to any means of improving the present system as regards the pressure upon the companies to adopt the safest modes of working, 362, 363. 388–391 ——Advantage of the system of Government inspection, and of the publicity in connection with accidents 363. 389, 390——Importance attached to the views of the Royal Commissioners of 1867 as to the expediency of the present system of management, whereby the responsibility rests entirely with the companies, 363. 423, 424——Belief that by the proposed limitation of liability no injustice would accrue to persons injured, and that, by insuring, they would get more than at present, 364, 365. 382–387.

Comment upon the part taken by a class of attorneys and medical men in trading upon compensation cases; instances of this, 365–367——Large proportion of the compensation payments which goes into the pockets of the plaintiff's professional men, 365 ——Advantage if disputed cases were tried and settled by a county court judge, 368 ——Satisfactory results anticipated if it were compulsory upon the companies to insure the life of each passenger, if required, 369–372.

Instances of heavy damages paid by the North Eastern Company in respect of so-called nervous shocks and of trifling injuries; very small fare paid to the company in some of these cases, 373–381——Particulars of a case of fraud, in which a man claimed 8,000*l.* and was awarded 88*l.* by the jury, 380——Settlement of the great majority of cases, without incurring the risk of a jury and of heavy costs, *ib.*——Tendency of a limitation of liability to check litigation, and to discourage the interference of professional harpies, 383–385.

Examination in support of the conclusion that it would be a great evil if the Board of Trade were empowered to enforce the adoption of its inspectors' recommendations, 388 *et seq.*——Evidence as to the partial adoption of the block system on the North Eastern Railway, as to its advantages and disadvantages, and as to the inexpediency of compelling the company to adopt it over the whole line, 392–409. 428–432. 437.

Conclusion as to the inexpediency also of compelling the companies to leave the doors on each side unlocked, witness however, approving of this practice and of its being done voluntarily, 410–417. 425–427——Advantages of a plan of locking points and signals, and also of wedging points, this being sure to come into use without enforcement by the Board of Trade, 418, 419 ——Belief as to the companies adopting a plan of communication between passengers and guard and between guard and driver on proof of its clear utility and irrespectively of the recommendations of the Board of Trade, 433–436.

[Second Examination.]—Particulars relative to the full investigation by officials and directors whenever an accident occurs on the North Eastern line; careful consideration given on such occasions to the report by the officer of the Board of Trade, 438, 439 ——Natural desire of the company to carry out the recommendations of the Board of Trade, as relieving the former from responsibilty, opposite conclusions being only arrived at after careful investigation, 439–441.

Peculiar facilities in the case of the Metropolitan Railway for applying the block system, the circumstances being altogether different in the case of the North Eastern Railway, 442–444——Further statement of witness's objections to an indiscriminate application of the block system though the principle of the system is perfect, 445–459 ——Conclusion that a general adoption of the block system would not have the slightest effect in mitigating the compensation awarded when an accident occurs, 460–463.

Much larger portion of compensation payments made in cases where death does not result, the latter cases however, though few in number, involving large amounts, 466–469 ——Reference to the accidents to railway servants, and the compensation or gratuities given voluntarily in such cases, 471–476——Adoption of all possible improvements without reference to the amount paid in compensatian, 477.

Occurrence of accidents owing rather to negligence of servants than to fault of management, the greatest care being nevertheless taken to secure efficient servants, 478, 479. 486, 487——Varying hours per day for which railway servants are employed, it being essential greatly to curtail the labour in certain positions, 480–483.

Practical

Report, 1870—*continued.*

O'Brien, Captain William. (Analysis of his Evidence)—*continued.*

Practical inoperativeness of the provision in Lord Campbell's Act that claims can only be made to the extent of the interest of the claimants, 488-490——Difficulty in settling claims in cases chiefly where a low class of professional men are employed, this being a growing evil, 491-493.

Omnibus Companies. Better position of omnibus companies than of railway companies as regards compensation payments, *Allport* 578, 579——Question as to the damages being higher against railway companies than against steamboat companies or omnibus companies, *Mr. Baron Martin* and *Mr. Baron Bramwell*, 869.

P

Pemberton, Oliver. (Analysis of his Evidence.)—Large experience of witness in compensation claims for railway accidents, he having been professionally employed for several years by the Midland and London and North Western Companies, and by the Railway Passengers Assurance Company, 1420–1423. 1491–1495——Absence generally of litigation in cases of serious and clearly-ascertained injury, the companies being able to settle the compensation, 1424, 1425. 1496——Large number of fraudulent claims and of extortionate exactions; several instances in witnesss's experience, 1426–1453.

Comment upon the action of a class of medical men in supplying testimony in support of exaggerated or unfounded claims; unwillingness on the other hand of many medical men of eminence to appear in these cases, 1428–1430. 1443. 1482–1490. 1503–1508——Statement as to the nature of the claims upon the Railway Passengers Assurance Company, and the beneficial effect of the limited liability undertaken by the company, 1446–1457——Evidence in favour of a medical arbitration, with suggestions as to the mode of carrying it out, 1458. 1468.

Dissent from the view that serious nervous shocks are often slow in showing themselves, 1469–1476——Probable effect of railway accidents in aggravating previous diseases, and in bringing them to a crisis, 1477–1481——Explanation as to the practice in the medical examination of persons injured, and as to the mode of handing over the compensation when cases are settled out of court, 1482–1496. 1486.

Difficulty of settlement when legal advisers interfere on the part of the plaintiffs, 1497——Satisfactory settlement if it were known that cases were not to be decided by a jury, 1498, 1499——Inability of medical witnesses for the companies to contend with cases of alleged nervous shocks, 1500–1502——Importance of the action of a medical referee as a check upon the medical evidence for the plaintiffs, 1503–1508.

Plant. Diminution of accidents, through the greater perfection of engines, carriages, &c., *Sir E. W. Watkin* 915. 988, 989——Liability to accident from imperfection of servants rather than from imperfect plant, the latter being now very efficient, *ib.* 989, 990.

Systematic and detailed examination of railway plant and rolling stock, in order to detect any flaw or defect which might give rise to accident, *Forbes* 1322–1327. 1346–1348——Obstacle to carrying on railway traffic without owner's waggons as well as companies' waggons; belief as to the more perfect character of the latter, *ib.* 1335–1340——Very ample records kept of the composition of each train, whilst there is a complete history of its progress, *ib.* 1341–1343——Careful history kept of waggons, engines, &c., so as to ensure an effectual renewal of axles, &c., *ib.* 1346–1348.

Improvements effected from time to time in the permanent way, *Tyler* 1904. 1986——Advantage of additional powers and facilities in the companies for the examination of carriages and trucks belonging to colliery proprietors and others, *Grierson* 2109–2114——Careful test applied to axletrees and wheels *ib.* 2115–2117——Means of arriving at an approximate estimate of the number of trader's waggons on the different railways, *ib.* 2125–2127.

Platforms. Similar level of the platforms at some of the stations on the North London line and of the carriage doors; advantage of this arrangement, *Mansel* 559–565——Advantage in the platforms being on the same level as the carriages; difficulty and expense in now carrying out this arrangement, *Forbes* 1315–1321——Disadvantage as well as advantage in having the platforms level with the carriages; diversity of professional opinion on this point, *Grierson* 2100–2105.

Post Office Clerks. Large sums paid to Post Office clerks, who are very liable to accident from their duties in the Post Office railway vans; moiety borne by the Post Office, *Blenkinsop* 9. 80–82. 112——Fair information given in accident cases by the Post Office solicitor; witness can hardly say the same of the medical officer, *ib.* 80–82.

Report, 1870—*continued.*

Previous Disease. Frequent instances of claims for injuries due to previous disease *Pemberton* 1430–1442. 1498, 1499——Probable effect of railway accidents in aggravating previous diseases, and in bringing them to a crisis, *ib.* 1477–1481.

Private Settlement of Claims. Difficulty as to the companies taking the initiative in the settlement of claims, *Allport* 774, 775——Fair terms on which the companies are always prepared to settle voluntarily, *Sir E. W. Watkin* 974——Absence generally of litigation in cases of serious and clearly ascertained injury, the companies being able to settle the compensation, *Pemberton* 1424, 1425. 1496——Explanation as to the practice in the medical examination of persons injured, and as to the mode of handing over the compensation where cases are settled out of court, *ib.* 1482–1496.

Public, The. Unwillingness of the travelling public in England to submit to restrictions calculated to prevent accident, whilst on the continent this difficulty does not arise, *Forbes* 1267–1276.

Publicity. Proposition for an amended system of inquiry by a court appointed by the Board of Trade, and for greater publicity being given to the recommendations of the inspectors; valuable pressure thereby upon the companies, *Tyler* 1869–1872. 1876–1881——Tendency upon some lines to continue in the same groove and not to introduce improvements with sufficient promptitude, pressure from without being very desirable, *ib.* 1905–1915. 1945. 1966, 1667.

Statement in further explanation of the prompt and increased publicity proposed to be given to the official inquiries into accidents as well as to the official recommendations resulting from the inquiries; great advantage anticipated from the public opinion thus brought to bear upon the companies, *Tyler* 1922 *et seq.*

R.

Railway Association. Very similar Bill prepared by witness for the Railway Association four or five years ago, to that now proposed; loss of the former Bill, the Government having opposed it, *Blenkinsop* 53–56.

Railway and Canal Traffic Act (1854). Adoption by this Act of the principle of limitation of liability, *Rep.* iv.

Railway Extension. Impolicy of the present law of compensation, as tending to prevent cheap travelling, and to check the making of railways, *Brown* 1122. 1125. 1128–1130.

Railway Passengers Assurance Company. Statement as to the nature of the claims upon the Railway Passengers Assurance Company, and the beneficial effect of the limited liability undertaken by the company, *Pemberton* 1446–1457.

Insurance granted by the company not only against railway accidents, but against accidents generally, the former branch bearing but a small proportion to the business of the company, *Vian* 1773–1775. 1785. 1792–1794——Particulars as to the rates charged by the company for railway insurance, the maximum amount insured being 1,000 *l.* for a first-class passenger, *ib.* 1776–1784. 1791.

Practice as to the issue of insurance tickets, and as to the persons who insure keeping their tickets or sending them to their friends; facilities in this respect, *Vian* 1796–1826. 1828–1840——Non-liability of witness's company in the event of accident through negligence in the assured, *ib.* 1797–1800——Frequency of exaggerated claims against the company, *ib.* 1801.

Necessity of claims being made within fourteen days, save in case of death, *Vian* 1802, 1803—— Allowance of 10 per cent. of the receipts to the booking clerks who issue the tickets, *ib.* 1831——It is entirely false that the company gives a premium to persons who bring them tickets after an accident, *ib.* 1839.

See also *Arbitration.*

Railway Servants. Effect of excessive damages in leading to an excessive punishment of railway servants, *O'Brien* 352, 353——Reference to the accidents to railway servants on the North Eastern line, and the compensation or gratuities given voluntarily in such cases, *ib.* 471–476—— Occurrence of accidents owing rather to negligence of servants than to fault of management, the greatest care being nevertheless taken to secure efficient servants, *ib.* 478, 479. 486, 487——Varying hours per day for which railway servants are employed, it being essential to curtail the labour in certain positions, *ib.* 480–483——Cases of negligence constantly occur on the part of servants who have for years been most careful, *ib.* 486, 487.

Due care taken by witness's company to secure efficient servants; improper recommendations often made to the companies, *Allport* 738. 764–768.

Explanation

Report, 1870—*continued.*

Railway Servants—continued.

Explanation as to its being now the law that railway companies are not liable for accident or injury to their servants, *Mr. Baron Martin* 888.

Punishment of servants on the Brighton line for infraction of rules, *Laing* 1018–1021 ——Exception taken to a statement that the rules adopted by the companies are constantly neglected by their servants, and that the latter are not properly punished for breach of rules, *Forbes* 1228–1234—— Due investigation made on witness's line whenever trains are late in arriving at stations, and are much behind time in reaching their destination, *ib.* 1256-1262.

Frequent want of discipline in enforcing obedience to rules on the part of the company's servants; instance in the matter of passing signals, *Yolland* 1611–1614. 1677–1682.

Suggestion that railway servants may be induced to take more care if they be allowed a share in the profits from insurance, *Sir J. Hannen* 1767. 1769, 1770.

Inquiry sometimes made by the Board of Trade in cases of accident to the companies' servants, *Tyler* 1944—— Care evinced by the Great Western Company in the appointment and treatment of their servants; system of bonus for good conduct, *Grierson* 2086–2089——Occurrence of accidents chiefly through neglect on the part of the companies' servants, *ib.* 2089.

See also *Liability.*

Responsibility. Importance attached to the views of the Royal Commissioners of 1867 as to the expediency of the present system of management, whereby the responsibility rests entirely with the companies, *O'Brien* 363. 423, 424——Inexpediency of central control which should interfere with the responsibility of the companies for accident, *Laing* 1022–1028. 1035, 1036. 1039–1041. 1058, 1059. 1066–1068; *Mason* 1383; *Eborall* 2145 ——Mischievious effect of interference with the responsibility of the companies, *Tyler* 1844–1848. 1873. 1922. 1945–1948. 1971–1976.

See also *Block System. Board of Trade. Insurance. Management of Railways. Publicity.*

Risk. Much greater facilities given to the travelling public in England than on the Continent, the risk of accident being consequently greater in this country, *Forbes* 1349–1356 —— Conclusion as to the fairness of the public bearing some portion of the risk incurred through the pressure for increased facilities, *ib.* 1356–1358.

See also *Damages. Liability. Insurance.*

Rose, Frederick. (Analysis of his Evidence.)—Is member of the firm of Baxter, Rose & Norton, solicitors to the London and Brighton Railway Company, 2348, 2349—— Submits particulars of several fraudulent claims which arose out of the New Cross accident; several instances also of very excessive damages, 2350–2356——Tendency of juries to give excessive damages unless fraud can be shown; improvement when the matter rests with a sheriff's jury, 2352-2354. 2382–2385. 2393-2399——Valuable protection to the companies if their liability were limited, 2357, 2358.

Several instances of improper conduct on the part both of legal and medical practitioners, 2359-2364——Suggestion that the sum tendered by the companies and paid into court be kept secret from the jury, and that when the damages awarded are less than such sum the claimants be required to pay their own costs, 2365–2373——Fairness, in extreme cases, of compelling the claimants to pay the companies' cost as well as their own, 2368–2370——Very large sums generally claimed, much smaller sums being often accepted, 2374, 2375.

Expediency of notice of injury or of intended claim being given within a short time after the accident, 2376-2381——Great improvement if all claims were dealt with by a tribunal consisting of a Board of Trade inspector, aided by a legal assessor and a medical assessor, 2386-2392——Frequency of the damages awarded being liable to large deduction for payments to doctors and lawyers; the compensation is in fact sometimes swallowed up in costs, 2400–2402.

Royal Commission on Railways. Recommendation by the Royal Commission of 1866 and 1867 for limiting the amount of compensation, in conjunction with arrangements for compulsory insurance, *Blenkinsop* 46-48. 51, 52——Concurrence in the proposal of the Royal Commissioners in 1867 for a limitation of liability, *Sir J. S. Willes* 2249.

Views of the Royal Commissioners adverted to by the Committee as favourable to the principle of limitation of liability, *Rep.* iv, v.

S.

Scotland. Statement as to the plaintiffs, in accident cases in Scotland, being liable for the costs of both sides if the jury return a smaller amount of damages than the amount tendered by the companies in settlement, *Mason* 1362–1364. 1396——Satisfactory composition of the juries in Scotland for deciding compensation cases, *ib.* 1367. 1405–1407——Exceptions taken to the action of the Procurator Fiscal in Scotland in connection with railway accidents, *ib.* 1382, 1383. 1395——Reference to the inquiry by the Procurator Fiscal as being secretly conducted, there being no coroner's inquiry, *ib.* 1417–1419.

Sheriff. Enhanced compensation given when cases go before the sheriff and a jury, *Allport* 655–660.

Shipping Accidents. Limitation of liability for damages in the case of shipping accidents, *Blenkinsop* 26.

Size of Trains. Advantage of trains being kept to a moderate size, and being provided with sufficient break power, *Yolland* 1690–1697. 1721.

Sleeping Carriages. Suggestion that Parliament might require the provision of sleeping carriages, as of smoking carriages, *Tyler* 1856.

South Eastern Railway. Great cost imposed on the South Eastern Company for compensation since 1865; ample inducement for the adoption of all possible precautions even though the compensation be limited, *Eborall* 2145–2157. 2175–2177. 2191.

See also *Block System*, 1. *Staplehurst Accident.*

Special Juries. Mistake of the companies in having cases tried before special juries, *Mr. Baron Bramwell* 866——Undue sympathy of special juries as well as of ordinary juries in their award of damages, *Brown* 1148–1152. 1156.

Speculative Claims. Instances of cases taken up as mere speculations, *Oakley* 314.

See also *Costs.* *Lawyers.*

Staplehurst Accident. Instance of excessive damages in the case of a person killed in the Staplehurst accident, *Mr. Baron Martin* 866——Reference to the Staplehurst accident as having occurred under the block system, *Sir E. W. Watkin* 939–944——Witness submits some particulars relative to the Staplehurst accident and the immense loss entailed upon the South Eastern Company by the consequent compensation cases, *Eborall* 2128, 2129. 2192–2195.

Station Masters' Reports. Value of the station masters' daily reports, *Forbes* 1343.

Steamboat Companies. More unfavourable position of railway companies than of steamboat companies, the latter not being liable in respect of the passengers, *Sir E. W. Watkin* 964–968.

T.

Third-Class Passengers. Large proportion of compensation payments made to third-class passengers, *Blenkinsop* 145–147——Great bulk of the claims from third-class passengers, *Allport* 620. 692. 714.

TRIBUNAL:

Concurrence in the suggestion that when there are numerous claims arising out of the same accident they be all submitted to the Board of Trade, and be dealt with by one tribunal; great saving thereby in the costs, *Mr. Baron Bramwell* and *Mr. Baron Martin* 870, 871. 881——Approval of all cases arising out of the same accident being tried by some one judge or tribunal, *Sir E. W. Watkin* 899, 900. 935, 936.

Conclusions favourable to the trial of all cases by a permanent commission or body of arbitrators, *Laing* 1009. 1052–1057; *Forbes* 1173. 1175. 1247–1251. 1285. 1288–1291——Suggestions for the constitution of a special tribunal for railway cases, *Brown* 1126.

Advantage if the court of inquiry under the Board of Trade were so constituted that it might also deal with compensation claims and assess the damages, *Tyler* 1881–1884——Suggestions in detail in further elucidation of witness's proposal for empowering the Board of Trade to appoint a court of inquiry according to the circumstances of the accident, full power being given to the court to call evidence, *ib.* 1921 *et seq.*

Approval of a court of inquiry comprising a Board of Trade inspector with a legal and medical assessor, *Grierson* 2106–2108; *Rose* 2386–2392——Improvement if accidents

Report, 1870—*continued.*

TRIBUNAL—continued.

dents were inquired into by a court composed of a Board of Trade inspector, with a medical and a legal assessor, and if the same court dealt with the question of damages, *Eborall* 2133. 2138. 2169-2172.

Advantage if all claims arising out of any one large accident were dealt with by the same tribunal, *Sir J. S. Willes* 2244——Efficient tribunal necessary if all claims are to be referred to it for arbitration; suggestions as to its constitution, *ib.* 2256-2261.

Recommendation by the Committee that a court should be established for the trial of cases of railway accidents, without a jury, which would be sufficiently strong to secure the confidence of the public, and which should possess adequate legal experience, and be assisted by engineering and medical advice, *Rep.* v——Should the proposed tribunal be established, the Committee see no reason for altering the present system of unlimited liability, *ib.*

See also *Arbitration. County Court Judges. Judges. Juries.*

Tyler, Captain Henry Whatley. (Analysis of his Evidence.)—Has had seventeen years' experience as an inspector of the Board of Trade, 1841-1843——Dissent from the opinion of Colonel Yolland that the Board of Trade should exercise compulsory powers over railway companies, 1844-1848. 1873——Want of increased pressure upon the companies to adopt improvements, but not by means of direct control in a public department, 1848——Important advantages of the block system, though on some lines there is no necessity for it, and it is very inexpedient to make its general adoption compulsory, 1849-1856. 1874, 1875.

Expediency of legal power of inquiry in the Board of Trade, 1857. 1872——Great injustice in the present system of compensation for railway accidents, 1858, 1859——Objectionable character of the inquiry before the coroner, 1860——Approval of a limitation of liability, with an option in passengers to insure for an additional sum, 1861——Advantage of the liability, if limited, not being affected by the question of negligence, 1862-1864.

Great improvement if compensation claims were dealt with by arbitrators appointed by the Board of Trade, 1865-1868——Proposition for an amended system of inquiry by a court appointed by the Board of Trade, and for greater publicity being given to the recommendations of the inspectors; valuable pressure thereby upon the companies, 1869-1872. 1876-1881——Advantage if the court of inquiry under the Board of Trade were so constituted that it might also deal with compensation claims and assess the damages, 1881-1884.

Suggestions relative to locking the doors of railway carriages, witness proposing that the doors be not locked on either side, and approving of the plan of a hasp or additional fastening, as on the Continent, 1885-1892.

[Second Examination.] Evidence as to the great advantage of continuous breaks, with suggestions for the more extended application of this improvement, 1893-1903. 1982-1985——Improvements effected from time to time in the permanent way, 1904. 1986——Tendency upon some lines to continue in the same groove, and not to introduce improvements with sufficient promptitnde, pressure from without being very desirable, 1905-1915. 1945. 1966, 1967.

Absence of any legal power of inquiry by the Board of Trade further adverted to; this should at once be remedied, 1916-1918. 1933-1938. 1953. 1980——Suggestions in detail in further elucidation of witness's proposal for empowering the Board of Trade to appoint a court of inquiry according to the circumstances of the accident, full power being given to the court to call evidence, 1921 *et seq.*——Further evidence opposed to a power in the Board to compel the adoption of its recommendations, or to control the detailed management of the railways, 1922. 1945-1947. 1952. 1971-1976.

Statement in further explanation of the prompt and increased publicity proposed to be given to the official inquiries into accidents, as well as to the official recommendations resulting from the inquiries; great advantage anticipated from the public opinion thus brought to bear upon the companies, 1922 *et seq.*——Exception further taken to the system of inquiry by the coroner, 1940-1942. 1957-1962——Occurrence of many small accidents which are not worth reporting to the Board of Trade, 1943——Inquiry sometimes made by the Board in cases of accident to the companies' servants, 1944.

Disapproval of any extended system of inspection which should lessen the responsibility of the companies and their officers, 1945-1948——Inaccuracy of a statement as to the Board of Trade not agreeing as to the improvements desirable, 1949. 1951——Explanation that Colonel Yolland and witness were in accord as to the best plan of communication between passengers and guard, 1950, 1951.

Further suggestions with a view to compensation claims being dealt with by arbitrators appointed by the Board of Trade, 1963-1965——Statement as to the locking apparatus at junctions not having been adopted to the desired extent, many accidents having occurred through this default; difficulty on account of the expense and the existence of

Report, 1870—*continued.*

Tyler, Captain Henry Whatley. (Analysis of his Evidence)—*continued.*

patents, 1967–1969. 1998, 1999——Disapproval alike of the compulsory adoption of the locking apparatus, as of continuous breaks or any other improvement, 1970–1976.

Circumstance of improvements being sometimes adopted most readily on the less profitable lines, 1977–1979——Great readiness evinced by the companies to supply information when accidents are being inquired into, 1980, 1981——Less weight to be attached to the recommendations of a newly-appointed inspector than of those experienced in office, 1987–1993.

Suggestion that the liability be limited to 3,000 *l.* for first-class passengers. 1,500 *l.* for second-class, and 750 *l.* for third-class, 1993–1996——Explanation that in making the foregoing suggestion witness concludes that the assessment of damages is to be carried out by an entirely new tribunal, 1997.

U.

United States. Statement as to the liability of railway companies in some of the American States being limited to 5,000 dollars, *Blenkinsop* 42–45; *Sir E. W. Watkin* 903–910; *Forbes* 1263–1265.

V.

Vian, William John. (Analysis of his Evidence.)—Has been secretary for nineteen years to the Railway Passengers Insurance Company, 1771, 1772——Insurance granted by the company, not only against railway accidents, but against accidents generally, the former branch bearing but a small proportion to the whole business of the company, 1773–1775. 1785. 1792–1794——Particulars as to the rates charged by the company for railway insurance, the maximum amount insured being 1,000 *l.* for a first-class passenger, 1776–1784. 1791.

Very small proportion of railway passengers who insure, there being little inducement to do so on account of the liability of the railway companies being unlimited, 1785, 1792–1795. 1832——Circumstance of eighty-seven persons having had insurance tickets in the case of the excursion train which recently met with an accident; enhanced premium charged for insurance by these trains, 1786–1790——Practice as to the issue of insurance tickets, and as to the persons who insure keeping their tickets, or sending them to their friends; facilities in this respect, 1796. 1826. 1828–1840——Non-liability of witness's company, in the event of accident through negligence of the assured, 1797–1800.

Frequency of exaggerated claims against the company, 1801——Necessity of claims being made within fourteen days, save in case of death, 1802, 1803—— Power of the company to make arbitration compulsory; exceedingly beneficial operation of the arrangements in this respect, 1804–1809——Sufficiency of a charge of 3*d.* for an insurance of 1,000 *l.*, in order to cover expenses, and leave a small profit; that is if there were business enough, 1810–1812——Impracticability of varying the insurance with reference to the distance travelled, 1815–1817——Much greater number of persons injured than are reported by the Board of Trade, 1821. 1823, 1824.

W.

Watkin, Sir Edward William. (Analysis of his Evidence.)—Is connected with the South Eastern, the Sheffield, and the Great Eastern Companies, 889, 890. 975——Submits that the present law of compensation for railway accidents is on several grounds impolitic, 891, 892——Injurious effect of the law in restricting cheap travelling for the working classes, 892. 910, 911. 937. 961–963. 975–982. 987–988. 996——Demoralising effect of the law, as shown by the contradictory evidence in disputed cases, as well as by the readiness with which persons claim excessive damages, 893——Instances of very excessive damages, as well as of personal fraud, 894.

Illustration of the want of limit upon the time after an accident within which notice should be served upon the company; witness does not propose any limit of time for actual claims, 894, 895. 901. 933, 934. 948–953. 969–973——Excessive amount of costs for the legal and medical men employed, this class being strongly interested in the continuance of the present system, 895, 896.

Prejudicial effect upon the companies through the sympathies of juries with the persons injured, 897——Advantage if the cases were tried by a judge without a jury, as in France and Prussia, 897, 898——Approval of all cases arising out of the same accident being tried by some one judge or tribunal, 899, 900. 935, 936.

Unfair

Report, 1870—*continued.*

Watkin, Sir Edward William. (Analysis of his Evidence)—*continued.*

Unfair position of railway companies, as compared with other carriers, in being compelled to carry all persons presenting themselves, and in being practically precluded from any voluntary contract, 902, 903——Circumstance of the liability of railway companies in the United States being limited, the limit in Massachusetts being 1,000 dollars, 903–910——Opinion favourable to the same limited sum for all classes of passengers, without reference to fare, 907, 908. 991–995.

Sundry details in explanation of the block system, as carried out on the South Eastern line, the system possessing important advantages, but not securing immunity from accident, and tending to render drivers less careful, 912–932. 939–945. 954–960. 983–986——Objection to the adoption of the block system being compulsory upon the companies, though its advantages are great upon a crowded line, 912–914. 926–932. 959. 983–986——Diminution of accidents, through the greater perfection of engines, carriages, &c. 915. 988, 989.

Payment of 27,000*l.* in compensation by the Sheffield Company in three years, the gross passenger traffic being about 400,000*l.* a year, 938. 946, 947——Ample inducement to the companies to guard against accidents, irrespectively of the liability to compensation, 939——Reference to the Staplehurst accident as having occurred under the block system, 939–944.

More unfavourable position of railway companies, than of steamboat companies, the latter not being liable in respect of the passengers, 964–968——Very few injured persons who fail to claim through want of means, 874——Fair terms on which the companies are always prepared to settle voluntary, *ib.*——Liability to accident, from imperfection on the part of servants, rather than from imperfect plant, the latter being now very efficient, 989, 990.

Whitmore, Charles Shapland. (Analysis of his Evidence.)—Explanation as to Lord Campbell's Act having originated with reference to accidents in mines, witness having in the first instance been called upon to frame clauses, 2000–2003——Grounds for objecting to the county court judges being called upon to determine claims to compensation in respect of railway accidents, 2004. 2008——Great injustice to the companies under the present system, excessive damages being constantly given by juries, and fraudulent claims being often made, 2004, 2005. 2009——Improvement if there were a power in the judges to withdraw cases from juries, 2009.

Willes, Sir James Shaw. (Analysis of his Evidence.)—Considerable experience of witness in regard to the law of compensation for railway accidents, 2207, 2208——Information relative to the liability under the general law of master and servant, and its operation, showing how far it differs from the liability under the law of compensation to railway passengers; contract in the latter case to carry with reasonable safety, 2209–2220——Considerations as to the extended liability of companies since the passing of Lord Campbell's Act; expediency of the damages being limited to the proximate consequences of breach of contract, 2217, 2218. 2225, 2226.

Opinion as to it not being lawful for the companies to stipulate, by notice on the tickets, that their liability was limited, 2221–2225——Excessive damages given by juries, the railway companies being dealt with as though they were insurance companies, and the damages being calculated on a wrong principle, 2227, 2228——Belief that of late juries have given more moderate sums, 2228.

Hardship in the liability being unlimited, whilst the fares are limited, 2229, 2230——Approval of the principle of the Carriers' Act, as involving a limitation of liability, but allowing a right to insure in excess of such liability; this principle might fairly be applied to railway passengers, 2230–2236. 2249–2251——Doubt as to juries frequently awarding a sum slightly in excess of the amount paid into court, in order merely to saddle the companies with the costs, 2237–2240.

Expensive character on the evidence on each side, so that the costs are necessarily high, 2241——Instances of cases having got into the hands of disreputable practitioners; refusal of juries to give damages or costs in some of these cases, 2242——Objections to the county court judges as the tribunal for dealing with compensation claims, 2243. 2255——Probability of much expense and delay by referring each separate claim to an arbitrator, 2244. 2257, 2258.

Suggestions with a view to the adoption of provisions similar to those in the Merchant Shipping Code, whereby the Board of Trade is empowered to appoint an arbitrator, 2244–2247. 2256——Contemplated admission of liability in all cases, if the system of arbitration be adopted, 2247, 2248——Suggestion also that in case of insurance the amount be paid without litigation being allowed, 2248.

Approval of its being necessary to give notice of claim within a certain period, 2252, 2253——Necessity of the claimants proving that there was negligence on the part of the company, 2254——Efficient tribunal necessary if all claims are to be referred to it for arbitration; suggestions as to its constitution, 2256–2261.

Report, 1870—*continued.*

Workmen's Trains. Limit of liability in the case of workmen's trains in the metropolis, *Blenkensop* 37–41. 87——The large displacement of workmen's houses by the railways was the origin of these trains, *ib.* 40.

Examination as to the facilities offered by the North London Railway to the labouring classes, and as to the fares charged, *Mansel* 516 *et seq.*——Explanation in regard to workmen's trains not being run from Homerton, there being no limit of liability in case of accident, and it being doubtful whether such trains would pay, *ib.* 523–542. 569, 570——Limit of liabily to 100 *l.* in case of trains between Dalston and Broad-street, *ib.* 524——Unremunerative character of the penny trains now run over part of the line, *ib.* 542. 565–568.

Very little demand for workmen's trains on the Midland line; expediency of the liability being limited to a small sum in the case of such trains, *Allport* 638.

Details relative to the workmen's trains on the London and Chatham line, showing the beneficial operation of the arrangement by which the liability for each passenger is limited to 100 *l.*, the amount to be determined by arbitration, *Forbes* 1173–1178. 1188–1193. 1246–1252. 1282–1285——The passengers are taken seven miles for a penny, the obligation being to take them three and a-half miles, *ib.* 1176——Average receipt of 4 *s.* 6 *d.* per mile, which admits of a small profit, *ib.* 1178.

Strong objection to any obligation upon railway companies to run workmen's trains at cheap fares, irrespectively of a limitation of liability, *Forbes* 1278–1284, 1282–1284. 1292–1303——Other metropolitan companies, besides the London and Chatham, to whom the principle of limited compensation for workmen has been applied, *ib.* 1286, 1287.

Tendency of a limitation of liability in Scotland to encourage the running of workmen's trains, *Mason* 1369–1372. 1386–1388——Satisfaction expressed with the limitation of liability where workmen's trains are run at a very low fare, *Yolland* 1547–1552. 1719——Experience of the Great Western Company on the subject of workmen's trains; claim to a limitation of liability on account of the cheap fares charged, *Grierson* 2022–2033.

Complaint as to the absence of cheap workmen's trains between Walthamstow and the City, and also between Homerton and the City; short-sighted policy of the railway companies in the matter, *Elderton* 2266 *et seq.*——Claim of the working classes to compensation, in the shape of penny trains for the wholesale destruction of small houses by the railway companies, and the consequent advance in rents, *ib.* 2267–2276. 2284–2298.

Objection by workmen to the limit of 100 *l.* as the liability of the companies in case of accident by the cheap trains; expediency rather of the compensation being settled by arbitration, *Elderton* 2277–2283. 2315. 2319. 2329–2335——Refusal of the North London Company to run workmen's trains save between Dalston and Broad-street, on account of their liability not being limited; communications from the secretary on the subject, *ib.* 2299–2314——Moderate rent of witness's house at Walthamstow; immense number of small houses for the workmen at low rents a little way out of London, *ib.* 2336–2347.

Summary by the Committee of the course pursued as regards workmen's trains, the liability being limited and claims being decided by arbitration, *Rep.* iv, v——Satisfactory working of the experiment, *ib.* v——Recommendation that facilities be given for the extension of the system, and that provision be made to enable railway companies to establish workmen's trains without the necessity of applying to Parliament, *ib.*

Y.

Yolland, Colonel William. (Analysis of his Evidence.)—As one of the inspectors of the Board of Trade has had a large experience of railway accidents, having held numerous inquiries and made numerous reports, 1509–1512——Absence of power in the Board of Trade or the inspectors to call witnesses at the inquiries, or to compel the companies to supply information, 1513–1517——Publication of the inspectors' reports, which are laid before Parliament, 1518——Preparation by witness of a table showing the accidents in 1867, 1868, and 1869; this table delivered in to the Committee, 1519–1521.

Evidence in detail in support of the conclusion that the block system of working is most effectual in the prevention of collisions, and that its compulsory adoption throughout the country is essential, 1522 *et seq.*——Very partial adoption of the system hitherto, 1524, 1525. 1718——Varying cost per mile in applying the system, 1526, 1527——Opinion that it would be no grievance to the large companies in compelling them to adopt the absolute block system over the whole of their lines, 1528. 1655.

Advantage if the adoption of the block system were enforced by Act of Parliament rather than by the Board of Trade, 1529–1531. 1535. 1630, 1631——Constant omission of the companies to adopt improvements until the want of them is shown by accidents on

Report, 1870—*continued.*

Yolland, Colonel William. (Analysis of his Evidence)—*continued.*

on their own lines, 1532, 1533. 1607—— Great number of facing points still unprotected by signals, it being desirable to empower the Board of Trade to enforce the placing of signals, 1533. 1634–1640.

Advantage of compulsory powers of interference in the Board of Trade, the responsibility of the companies not being diminished thereby, 1534–1540. 1601–1607. 1630–1632. 1670–1675 —— Absolute necessity of the block system on the Metropolitan and other lines where the traffic is very heavy, 1534——Statement as to the inspectors not having been consulted on the question of communication between passengers and guard, 1537, 1665, 1666.

Approval of the system of arbitration through the Board of Trade, as in the case of workmen's trains; expediency of an extension of the system, 1541–1545. 1649, 1650 ——Opinion that with the protection of the block system the present fares are high enough to cover the liability, 1546. 1552 —— Satisfaction expressed with the limitation of liability where workmen's trains are run at a very low fare, 1547–1552. 1719——Importance attached to the interlocking of points and signals, especially in connection with the block system, 1567–1569. 1601. 1652–1654——Frequent instances of accidents through culpable negligence, 1573–1575.

Practicability of applying the block system where there are long intervals between the stations, 1589–1591——Pecuniary gain to the companies by adopting the block system, as the cost would be more than covered by the expensive accidents prevented, 1592–1594——Constant neglect by the companies to adopt improvements or precautions recommended in the inspectors' reports, 1595–1601. 1607.

Objection to any limitation of liability unless further powers be vested in the Board of Trade, 1608–1610 ——Frequent want of discipline in enforcing obedience to rules on the part of the companies' servants; instance in the matter of passing signals, 1611–1614. 1677–1682 ——Consideration of the question of break power, witness contending that continuous breaks afford a valuable check upon collisions, 1615–1623. 1683–1697.

Dissent from the view that the block system causes engine drivers to be less vigilant, 1623–1625. 1628, 1629. 1641–1643 ——Valuable effect of the block system as regards accidents at stations as well as elsewhere, 1626, 1627——Difficulty in preventing accidents through fault of the passengers in leaving the trains too hurriedly, 1644–1646—— Doubt as to the advantage of a hasp in addition to the present handles to the doors, 1646–1648.

Further statement as to the expediency of power in the Board of Trade to compel the general adoption of the block system, 1655–1659——Great value of the system even though the signals by which worked may occasionally get out of order, 1660–1663—— Examination as to the qualifications and experience of the inspectors, and of the members of the Board of Trade with reference to the question of empowering the latter to enforce the adoption of particular appliances and precautions, 1664. 1698–1706.

Doubt as to the efficiency of the plans of communication between passengers and guard, save on the South Eastern line, 1667–1669—— Approval of power in the companies to be heard in objection to any appliances ordered by the Board of Trade, 1674–1676——Advantage in trains being kept to a moderate size and being provided with sufficient break power, 1690–1697. 1721.

Excellent manner in which the block system is now worked, though under it accidents may doubtless arise from exceptional causes, 1707–1715——Objection to compulsory orders by the Board of Trade as to the opening or shutting of doors, 1716, 1717—— Disapproval of excursion trains of unwieldy length, 1720, 1721.

INDEX

TO

REPORT

FROM THE

SELECT COMMITTEE

ON

RAILWAY COMPANIES.

Ordered, by The House of Commons, *to be Printed,*
7 *July* 1870.

341.

Under 8 *oz.*

REPORT

FROM THE

SELECT COMMITTEE

ON

STEAM BOILER EXPLOSIONS;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

MINUTES OF EVIDENCE,

AND APPENDIX.

Ordered, by The House of Commons, *to be Printed,*
21 *July* 1870.

370.

Monday, 16*th May* 1870.

Ordered, THAT a Select Committee be appointed to inquire into the cause of Steam Boiler Explosions, and as to the best means of preventing them.

Friday, 20*th May* 1870.

Select Committee nominated:—

Sir Thomas Bazley.
Mr. Tipping.
Mr. Platt.
Mr. Joshua Fielden.
Captain Beaumont.
Mr. Birley.
Mr. Henry B. Sheridan.
Mr. Cawley.
Mr. Lancaster.
Colonel Gray.
Dr. Lyon Playfair.
Mr. Staveley Hill.
Mr. M'Clure.
Mr. Armitstead.
Mr. Hick.

Ordered, THAT the Committee have power to send for Persons, Papers, and Records.

Ordered, THAT Five be the Quorum of the Committee.

Wednesday, 25*th May* 1870.

Ordered, THAT the Select Committee do consist of Nineteen Members.

Ordered, THAT Lord John Hay, Mr. Laird, Mr. Pim, and Mr. Hermon, be added to the Committee.

Thursday, 21*st July* 1870.

Ordered, THAT the Committee have power to report their Observations, together with the Minutes of Evidence taken before them, to The House.

REPORT - - - - - - - - - - - - - - p. iii
PROCEEDINGS OF THE COMMITTEE - - - - - p. iv
MINUTES OF EVIDENCE - - - - - - - - - p. 1
APPENDIX - - - - - - - - - - - - - - p. 113

REPORT.

THE SELECT COMMITTEE appointed to inquire into the cause of STEAM BOILER EXPLOSIONS, and as to the best means of preventing them;—HAVE considered the matters to them referred, and have agreed to the following REPORT:—

As your Committee cannot satisfactorily complete their inquiry during the present Session, they have agreed to Report the Evidence they have taken to the House, and to recommend that the Committee be re-appointed early next Session to complete the inquiry, and Report thereon.

21 *July* 1870.

PROCEEDINGS OF THE COMMITTEE.

Tuesday, 14*th June* 1870.

MEMBERS PRESENT:

Mr. Hick.
Lord John Hay.
Mr. Birley.
Mr. Hermon.
Mr. Cawley.
Mr. Platt.
Mr. Armitstead.
Mr. Lancaster.
Mr. Joshua Fielden.
Colonel Gray.
Mr. M'Clure.

Mr. *Hick* was called to the Chair.

The Committee deliberated.

Resolved, "That the inquiry of the Committee be in the first instance limited to the case of steam-boilers used on land, whether stationary or otherwise."

[Adjourned till Thursday, the 23rd instant, at Twelve o'clock.

Thursday, 23*rd June* 1870.

MEMBERS PRESENT:

Mr. Hick in the Chair.

Mr. Lancaster.
Mr. Platt.
Mr. Armitstead.
Mr. Pim.
Mr. Hermon.
Mr. Fielden.
Mr. Birley.
Colonel Gray.
Mr. Cawley.
Dr. Lyon Playfair.
Lord John Hay.
Mr. M'Clure.
Sir Thomas Bazley

Sir *William Fairbairn* and Mr. *Lavington E. Fletcher* were severally examined.

[Adjourned till Monday next, at One o'clock.

Monday, 27*th June* 1870.

MEMBERS PRESENT:

Mr. Hick in the Chair.

Mr. Platt.
Mr. Armitstead.
Mr. Tipping.
Mr. Pim.
Sir Thomas Bazley.
Mr. Staveley Hill.
Mr. Hermon.
Mr. Laird.
Colonel Gray.
Mr. Cawley.
Dr. Lyon Playfair.
Mr. Joshua Fielden.
Captain Beaumont.

Mr. *Lavington Fletcher* further examined.

Mr. *John Penn* examined.

[Adjourned till Thursday next, at Twelve o'clock.

Thursday, 30*th June* 1870.

MEMBERS PRESENT:

Mr. Hick in the Chair.

Mr. Lancaster.	Mr. Cawley.
Mr. Staveley Hill.	Mr. Platt.
Sir Thomas Bazley.	Mr. Pim.
Mr. Hermon.	Dr. Lyon Playfair.
Mr. Birley.	Mr. M'Clure.
Colonel Gray.	Mr. Laird.

Mr. *Charles Thompson* and Mr. *Henry Hiller* were severally examined.

[Adjourned till Monday next, at One o'clock.

Monday, 4*th July* 1870.

MEMBERS PRESENT:

Mr. Hick in the Chair.

Mr. Staveley Hill.	Dr. Lyon Playfair.
Mr. Platt.	Captain Beaumont.
Mr. Armitstead.	Sir Thomas Bazley.
Mr. Laird.	Mr. Lancaster.
Colonel Gray.	Lord John Hay.
Mr. Cawley.	

Mr. *William Richardson*, Mr. *John Anderson*, and Mr. *James Nasmyth*, were severally examined.

[Adjourned till Thurday next, at Twelve o'clock.

Thursday, 7*th July* 1870.

MEMBERS PRESENT:

Mr. Hick in the Chair.

Mr. Platt.	Dr. Lyon Playfair.
Mr. Lancaster.	Mr. Hermon.
Mr. Armitstead.	Mr. Joshua Fielden.
Mr. Tipping.	Mr. Laird.
Sir Thomas Bazley.	Captain Beaumont.
Mr. Birley.	Mr. Cawley.
Colonel Gray.	Lord John Hay.

Mr. *William McNaught* and Mr. *Robert Longridge* were severally examined.

Mr. *L. Fletcher* further examined.

[Adjourned till Thursday next, at Twelve o'clock.

Thursday, 14*th July* 1870.

MEMBERS PRESENT:

Mr. HICK in the Chair.

Lord John Hay.	Mr. Lancaster.
Mr. Platt.	Mr. Joshua Fielden.
Sir Thomas Bazley.	Mr. Pim.
Mr. Hermon.	Dr. Lyon Playfair.
Mr. Laird.	Captain Beaumont.
Colonel Gray.	Mr. Armitstead.
Mr. Cawley.	

Mr. *George W. Barker* and Mr. *Edward B. Marten* were severally examined.

[Adjourned till Monday next, at One o'clock.

Monday, 18*th July* 1870.

MEMBERS PRESENT:

Mr. HICK in the Chair.

Colonel Gray.	Mr. Hermon.
Mr. Laird.	Mr. Pim.
Mr. Armitstead.	Mr. Lancaster.

Mr. *Robert Galloway* and Mr. *William Rideout* were severally examined.

[Adjourned till Thursday next, at One o'clock.

Thursday, 21*st July* 1870.

MEMBERS PRESENT:

Mr. HICK in the Chair.

Mr. Lancaster.	Mr. Birley.
Mr. Tipping.	Mr. Pim.
Mr. Hermon.	Sir Thomas Bazley.
Mr. Laird.	Dr. Lyon Playfair.
Colonel Gray.	Mr. Joshua Fielden.
Mr. Cawley.	

Mr. *Charles Beyer* and Captain *Robertson* were severally examined.

Mr. *Lavington Fletcher* further examined.

The Committee deliberated.

Resolved, "That as this Committee cannot satisfactorily complete their inquiry during the present Session, the evidence already taken be reported to the House, with a recommendation that the Committee be re-appointed early next Session, to complete the inquiry and report thereon."

Report, in accordance with the foregoing Resolution, read and *agreed to*.

Ordered, To report, together with the Minutes of Evidence and Appendix.

EXPENSES OF WITNESSES.

NAME OF WITNESS.	Profession or Condition.	From whence Summoned.	Number of Days absent from Home, under Orders of Committee.	Expenses of Journey to London and back.	Allowance during Absence from Home.	TOTAL Expenses allowed to Witness.
				£. s. d.	£. s. d.	£. s. d.
Sir William Fairbairn -	Civil Engineer -	Manchester - -	2	2 18 –	6 6 –	9 4 –
Mr. Lavington Fletcher -	- ditto - -	- ditto - -	4	3 9 –	12 12 –	16 1 –
Mr. Henry Hiller - -	- ditto - -	- ditto - -	2	2 18 –	6 6 –	9 4 –
Mr. Charles Thompson -	Merchant - -	- ditto - -	2	2 18 –	2 2 –	5 – –
Mr. William Richardson -	Machinist - -	Oldham - -	2	2 18 –	2 2 –	5 – –
Mr. James Nasmyth - -	Civil Engineer -	Penshurst - -	1	– 12 –	3 3 –	3 15 –
Mr. W. McNaught - -	- ditto - -	Manchester - -	2	2 18 –	6 6 –	9 4 –
Mr. Robert Longridge -	Mechanical Engineer	- ditto - -	2	2 18 –	4 4 –	7 2 –
Mr. J. W. Barker - -	Gentleman - -	Wolverhampton -	2	2 1 –	2 2 –	4 3 –
Mr. E. B. Marten - -	Civil Engineer -	Stourbridge - -	2	2 – –	6 6 –	8 6 –
		TOTAL - - - £.		25 10 –	51 9 –	76 19 –

LIST OF WITNESSES.

Thursday, 23*rd June* 1870.

	PAGE
Sir William Fairbairn, Bart.	1
Mr. Lavington E. Fletcher	9

Monday, 27*th June* 1870.

Mr. Lavington E. Fletcher	22
Mr. John Penn	30

Thursday, 30*th June* 1870.

Mr. Charles Thompson, J.P.	32
Mr. Henry Hiller	39

Monday, 4*th July* 1870.

Mr. William Richardson	49
Mr. John Anderson	54
Mr. James Nasmyth	58

Thursday, 7*th July* 1870.

Mr. William McNaught	64
Mr. Robert Bewick Longridge	71
Mr. Lavington E. Fletcher	78

Thursday, 14*th July* 1870.

Mr. George Barker	80
Mr. Edward Bindon Marten	85

Monday, 18*th July* 1870.

Mr. Robert Galloway	91
Mr. William Jackson Rideout	96

Thursday, 21*st July* 1870.

Mr. Charles Frederick Beyer	103
Captain Robert Robertson, R.N.	107
Mr. Lavington E. Fletcher	111

MINUTES OF EVIDENCE.

Thursday, 23rd June 1870.

MEMBERS PRESENT:

Mr. Armitstead.	Mr. Hermon.
Sir Thomas Bazley.	Mr. Hick.
Mr. Birley.	Mr. Lancaster.
Mr. Cawley.	Mr. McClure.
Mr. Joshua Fielden.	Mr. Pim.
Colonel Gray.	Mr. Platt.
Lord John Hay.	Dr. Lyon Playfair.

JOHN HICK, Esquire, in the Chair.

Sir William Fairbairn, Bart., called in; and Examined.

Sir *W. Fairbairn*, Bart.

23 June 1870.

1. *Chairman.*] You are a Member of the Institution of Civil Engineers?—I am.

2. Have you had considerable experience as a practical engineer?—Yes.

3. For how many years?—I have been engaged since I was 14 years of age up to this time, more or less, in engineering.

4. That would be how many years?—Upwards of 60 years.

5. And you have had considerable experience in the investigation of steam-boiler explosions?—Yes, I believe I was one of the first who took anything like an interest in boiler explosions, from the circumstance that I was frequently called in by the coroner in cases of accident when high pressure steam was first introduced, in order to investigate the causes; that was for some years previous to the establishment of the Association for the Prevention of Explosions.

6. Will you be kind enough to give the Committee your early experience of the causes of some of the steam-boiler explosions as well as your later experience?—Boiler explosions were almost unknown a quarter of a century ago, and from the days of James Watt to about the year 1835 it was a rare occurrence to hear of boiler explosions; about that time, when the principle of high steam worked expansively came into use the most disastrous consequences ensued, chiefly from ignorance and the want of knowledge of the properties of steam at a pressure exceeding 10 lbs. per square inch. At that period, that is to say, before the introduction of high-pressure steam, we very rarely had a boiler that was worked above 10 or 12 lbs. per square inch; indeed the Boulton and Watt rule was 7 lbs. on the square inch; so that when the pressure was increased up to 30 lbs. and 40 lbs., they were using that in boilers that were only calculated to stand a pressure of 10 lbs. or 12 lbs. On these occasions I was frequently called in by the coroners of the different districts round Manchester to investigate and explain the causes of those catastrophes. For a number of years I was occupied with these inquiries, so much so as to trench seriously on other duties. It was at this time, and for several years afterwards, that I suggested and advocated the principle on which the present association was founded. These suggestions were submitted to some friends and gentlemen interested in the use of steam, and it was proposed that the millowners and others employed in manufactures should establish themselves into a voluntary association for the protection of property, and the lives of those who worked and lived in the vicinity of boilers and of mills worked by steam. That was about the year 1833–34, I think, and before that time, probably from the year 1830, commenced the working of steam at a much higher pressure than had been usually done before. The suggestion was cordially responded to, a committee was formed, and a public meeting was held in the Town Hall, Manchester, which fully confirmed the principle on which the association was founded. It will not be necessary that I should describe in detail the rules and regulations of this institution, as copies will be handed to each Member of the Committee; and should further information be required, it can be easily obtained from the engineer-in-chief. I would, however, observe that the association is strictly on the voluntary principle, and for a small sum per boiler; the members are not only secured from accidents by the only means applicable for that purpose, but they are guaranteed, should an explosion occur, to the full value of the boiler exploded. Such is the principle on which

Sir *W. Fairbairn*, Bart.

23 June 1870.

the association I have the honour to represent is founded, and I have only to refer to the services it has rendered to the community, and the lives and limbs it has saved since the commencement in 1855, to recommend it as a model for adoption. I have a very strong impression in favour of this association, which is strictly voluntary, and that has worked so well for the last 15 or 16 years; and I do not know of any other association, or any other insurance company, which has worked so well and so satisfactorily as this has done. I do not think that a single life has been lost from the commencement to the present time from boilers in charge of this Association, and that is entirely owing to this careful periodical inspection. If you compare that with the number of accidents which have occurred in other parts, you will find that this association has been much more satisfactory than any other in the kingdom. I have already stated that the voluntary system was adopted in the first instance, and it has worked well ever since. We make no money, divide no dividends, and what surplus arises from the rates is employed in scientific research on subjects connected with the construction of boilers and the use of steam. From this it will be seen that in case all other associations and companies had acted on the same principle, boiler explosions would be almost unknown. Now I am decidedly of opinion that with a very careful periodical inspection, and a thorough inspection of the boilers once a year, we should very rarely hear of any such thing as a boiler explosion, or loss of life or property in that way. I believe the evil chiefly arises from want of careful inspection, and if this was properly carried out there would have been no occasion for my honourable friend in the Chair to have asked for a Committee to investigate a subject which we know thoroughly well can be done without Parliamentary assistance. These views are, however, not popular. It is considered an unsound principle to work for nothing, as we have been doing for the last 15 years; and, in order to show that such was the case, in less than two years after the association was founded, companies, on the principle of insurance, were formed, and are now in operation in different parts of the country. I have always contended against this principle, as it will be seen that the shareholders in these companies are most of them steam users; and although they enter their boilers at a much higher rate than those of our association, they nevertheless prefer it, as a considerable amount of the money subscribed returns again to their pockets in the shape of dividends. Now I maintain that the principle on which boiler insurance companies are founded is not the one calculated to prevent boiler explosions but to a very limited extent, as the natural working of such companies is to make money at the least possible cost, and to enlarge their dividends at the cost of a comparatively limited number of inspectors. The tendency of an insurance company, in a case of this kind, is to make a dividend in the first instance, and that probably at the expense of neglecting that duty which is the most imperative and important; that is to say, very careful periodical inspection. In fact, judging from the number of efficient inspectors employed by the first and largest insurance company in Manchester, where more than 10,000 boilers are enrolled; the number of inspectors are probably in the ratio of one to about 1,000 boilers, perhaps. We have about 2,000 boilers, and seven inspectors; I think the insurance company, which was the first company that was formed, has upwards of 10,000 boilers; and it is a question with me whether they have any more inspectors than we have for the 2,000 boilers. From this it will be noticed that thorough inspection is out of the question, and so long as the practice of making money at the expense of human life remains prevalent, we shall never, in my opinion, be relieved from boiler explosions. On this subject I have just received from Mr. Fletcher, our chief engineer, a document in the tabulated form, giving a statement of the number of persons killed and maimed from boiler explosions since the Association was established 15 years ago; and from this it appears that nearly 1,000 persons have been killed and about 1,100 injured. At the present time he states that we have, on the average, about 50 explosions per annum, and about 160 persons killed and wounded.

7. Mr. *Cawley.*] Is that within your own inspection?—No; it is the number of people that have been killed by boiler explosions in one year, and from that it appears that nearly 1,000 persons have been killed and 1,100 injured during a period of 10 years, according to the table to which I beg to refer.

8. That is in the whole of England?—Yes, in the whole of England for the time given in the table; but Mr. Fletcher will give the Committee full particulars. Allow me now to direct the attention of the Committee to the causes of boiler explosions which, in most cases, will be found to arise from, 1st, undue or dangerous pressure. The remedy for this is a sound and perfect boiler, made of the best material, and on the best principle of construction; also double safety valves well and properly adjusted, water gauges, blow-off cocks, &c., all to be kept in good and efficient working order. In this case the pressure of steam should never exceed one-fourth of the pressure that would burst the boiler; that will give a large margin above that which would absolutely burst a boiler. The next cause is the collapse of flues. There are a number of boiler explosions which take place from the collapse of flues. This is prevented by the introduction of two or more hoops of T or angle iron round the flues, equi-distant in the length of the flue. This is a very important point; it has only been discovered more than ten years ago, and it arose from experiments that I was engaged upon to ascertain the cause of the collapse of tubes. I found out, after repeated experiments, that with the boiler flue which is in use in what is called the Lancashire boiler, the double-flued boiler, two or three feet in diameter, and probably 30 feet in length, that boiler would burst without the hoops with probably a pressure of 100 lbs. per square inch; but if you rivet two hoops and divide the length into 10 feet, and make it stiff, it would then stand a pressure of 400 lbs. on the square inch. Hence I have had myself, and so have others, an impression that a collapse would scarcely occur in a perfectly true circle; but this is not the case, as we find that it follows a certain law, namely, that it is inversely as the length. If, for example, you shorten a flue 30 feet long by means of a perfectly rigid hoop, you double its powers of resistance and so on for the number of hoops that are employed. The next is corrosion; this is a fruitful cause of explosions, and more particularly since the introduction of high steam. The cure for this evil is careful periodical inspection, sound and perfect workmanship, and to see that the boiler is tight and free from

from leakage. I can give the Committee some samples of that (*producing some samples of corrosion*); that is not more than the 32nd part of an inch thick, and it was originally three-eighths of an inch thick. In this case there was one person killed and four others injured. We have had many examples of this; I also produce some specimens of hoops.

9. *Chairman.*] Those hoops are put at the junction of each plate, are they not?—Yes.

10. The section of the hoop being an angle or T iron?—Yes.

11. Mr. *Cawley.*] The important point is this, that you have found the theoretical laws confirmed experience, that the strength is in the inverse ratios of the length?—Yes.

12. And you found that confirmed in that case?—Yes, from external pressure; if you take double this length (30 feet), it collapses, which with a pressure of 100 lbs. to the square inch, and you put a hoop round it and shorten the distance one-half, it will just double the strength, the hoop being outside and perfectly rigid.

13. *Chairman.*] Then the plate might be bent, as shown in the drawing you produce?—Yes.

14. That is the same thing, in fact?—Yes.

15. Mr. *Fielden.*] The flue becomes four times as strong in that case, does it not?—Certainly, if the flue is sufficiently rigid to keep its form, it is not necessary to do any more.

16. *Chairman.*] At what distance should you consider that sufficient rigidity would be obtained if the strength of the plate were sufficient?—Ten feet is amply sufficient.

17. Mr. *Lancaster.*] In other words, a flue 10 feet long would not require strengthening?—No; if you made it 20 feet long, one hoop would do.

18. Mr. *Pim.*] That is to resist the external pressure on the flue?—Yes; any Member of the Committee who wishes to pursue the subject will find the whole of the experimental researches in the "Philosophical Transactions."

19. Mr. *Cawley.*] By putting those hoops around it (which are from their shape of so much greater strength to resist that particular pressure) you practically reduce the boiler into so many short lengths, and the tendency to collapse is then reduced as affecting each short length?—Yes; the fact is, that collapse follows the same law as girders; if you double the length of a girder or beam you will lessen its strength one-half; we did not know that before, but now we do know it, we ought to apply a remedy for it. If, for example, we take a boiler of the ordinary construction, 30 feet long and 7 feet in diameter, with one or more flues, 3 feet or 3 feet 6 inches diameter, we find that the cylindrical external shell is from three to four times stronger in its powers of resistance to the force tending to burst it, than the flues are to resist the same force tending to produce collapse. This being the case in boilers of ordinary construction, it is not surprising that so many fatal accidents occur from the collapse of the internal flues, followed immediately by the explosion and rupture of the outer shell. To remedy these evils, and to place the security of vessels so important to the community upon a secure and certain basis, it is essential that every part should be of uniform strength to resist the forces brought to bear upon it. The equalisation of the powers of resistance is the more important, as the increased strength of the outer shell is absolutely of no value so long as the internal flues, as at present liable to collapse at a pressure of only one-third of that required to burst the envelope by which they are surrounded. (*Vide* "Useful Information for Engineers." Second Series.

20. Mr. *Hermon.*] You have stated that the boiler plate was reduced to that thinness by corrosion?—Yes.

21. Had the corrosive substance any local or other pecularity about it?—We are unacquainted with the nature and the causes of corrosion; on many occasions we are quite at sea about it; the real fact of the matter is, that we have corrosion in a great variety of forms. I believe that we have had the assistance of almost every able chemist upon the subject, and among them, I think, Dr. Lyon Playfair has paid attention to that subject; my opinion is that it has both a chemical and mechanical action. If there is any acidity in the water, or carbonate of lime, forming incrustation, or anything that tends to corrosion, it requires careful attention; if, when you knock the plates with a hammer, you bring off a small scale of oxide of iron, then you expose a fresh surface to chemical action, and corrosion is the result.

22. *Chairman.*] I should be right in saying, that that corrosion takes place generally in places that are out of sight, except it is by some special action?—Yes, the most fruitful cause of corrosion and explosion is that if there is any leakage in the boiler the water begins to ooze out among the brickwork; it gets wet and dry alternately, and it is just as if it was exposed to the atmosphere, and corrosion takes place very rapidly.

23. But it is, generally speaking, out of sight?—Yes, and hence the necessity for constant inspection.

24. Careful inspection will enable such deterioration and corrosion to be found out, you think?—Yes; but there are other examples of corrosion for which we have not found a remedy; we do not know the cause of it where it joins the plates, particularly where at the end of a boiler there is very rapid corrosion going on, like grooving as if with a tool. I have seen that groved all round for half the diameter of the boiler, to the depth of about three-eighths of an inch, leaving nothing but a mere thin shell about the thickness of a shilling.

25. Have you formed any opinion with regard to the cause of that?—With regard to locomotive boilers, I have a very strong impression that, independently of the chemical action that may be taking place from the water that contained in the boiler, there is a mechanical action going on from the change of temperature in the plates; it keeps on longitudinally backwards and forwards, and though it is scarcely appreciable, it always has a tendency to work off any oxide of iron that may be formed, and that more particularly at the riveted joinings of the plates.

26. Mr. *Cawley.*] Is the groove you speak of between the two plates?—No; it is on the solid plate.

27. Mr. *Platt.*] The point is, that the corrosion of which you speak is one of the great causes of the explosion of boilers?—Yes.

28. Is there any other means of detecting this except by regular periodical inspection?—I think there is no other means whatever.

29. Mr. *Armitstead.*] Is corrosion easily detected?—No, it is very difficult to find out sometimes; a great deal of it takes place in the

Sir *W. Fairbairn*, Bart.

23 June 1870.

interior of the boiler. In many cases it will leave a grooved circle of not more than the thickness of a sixpence.

30. You say that the groove is immediately outside the junction of the two plates and not between the two plates?—Yes, it is inside; and the only cure is to examine the inside of the boiler.

31. Mr. *Lancaster.*] But in locomotive boilers it is difficult do it, is it not?—No, you can see it through the man hole in locomotive boilers. I should state that I might multiply those causes, such as enumerating all the different mountings and appendages appertaining to a boiler, but I will not trouble the Committee with these details, as they can be obtained from other witnesses. Suffice it to observe, that the great secret of security is inspection, and where that is duly and properly performed, malconstruction and all other imperfections will be discovered, the dangerous symptoms removed, and the boiler restored to a safe working condition. That certainly is my opinion. Then there is another subject connected with steam-boiler explosions that I am anxious to direct the attention of the Committee to; that is to say, the present unsatisfactory state of the investigations conducted by coroners into the causes of violent and unexpected deaths arising from boiler explosions. On these occasions a jury is empanelled, not composed of men competent to understand the nature of these occurrences, but of persons such as the coroner can find; and in these cases the almost universal verdict is accidental death. Want of intelligence on the part of the jury is, however, not the only evil, as most of the witnesses examined on these occasions are even more ignorant on these questions than the jury, and what appears to me to be wanted is, that the Government, by enactment, as the conservators of human life, should not only supply the means, but should compel the attendance of some scientific well-informed person to undertake the duty of inspection, thoroughly to sift the question in every case of accident, and bring home to the authors the full responsibility of the catastrophe. This officer, whoever he may be, should be perfectly independent and thoroughly conversant with boiler construction and the properties of steam. He should, moreover, be a person of strict impartiality, in whom the public have confidence, and he should be well paid. That is my opinion, so far as the verdict of coroners' juries is concerned.

32. *Chairman.*] You are of opinion, as I gather from you, that most boiler explosions should not be put down as accidental circumstances, but that they are all of them to be accounted for from some definite cause if they are properly investigated?—Yes.

33. You think that we have no business to find coroners' verdicts of "accidental death" given so often as we have them, at all events?—No. I am decidedly of opinion that, with proper inspection and making the owners of boilers responsible (and the inspection should be carefully undertaken, and pursued regularly and periodically, there being a thorough inspection once a year) you would very seldom hear of boiler explosions, and a great number of useful lives would be saved.

34. Mr. *Fielden.*] Do you often find the grooving that you spoke of just now to occur under the water alone, or also where the steam is?—It is more in the water.

35. Do you ever find it where there is only steam?—Yes; I have seen it all round the boiler, but not so intense in the steam as in the water.

36. Mr. *Hermon.*] Do you find this corrosion in any particular district more than others, so that it might be accounted for by any peculiarity in the water?—Yes, in some cases where there is hard water, and there is carbonate of lime, it is much more extensive, or where there is any acidity.

37. Do you employ any remedy by using negative chemical appliances?—I do not know what effect they have. I have not experienced them. There are a great many nostrums which are recommended, but I believe the best thing is careful inspection.

38. Who would you recommend should make the inspection?—I would recommend that it should be at the expense of the owner of the boiler, and I would make it compulsory by law, that they should employ such an association as I I have the honour to represent, or some other.

39. *Chairman.*] Have you such confidence in the sufficiency of a competent periodical inspection, that you think if it were generally adopted throughout the country boiler explosions would practically be prevented?—Perhaps not entirely prevented; but I think they would be very much diminished, and that instead of having to record 50 lives lost every year, we might very likely reduce them to five, and, after further experience, some years none.

40. Would you see any objection to a law to compel every steam user to have his boilers inspected?—No, certainly not. I apprehend that is the object of this inquiry, that the Government should be requested to make it compulsory that every person using a boiler should have it regularly inspected.

41. But not by a Government officer, I suppose?—Certainly not, but by committing it to competent authorities for inspection.

42. Mr. *Birley.*] Suppose this inspection were made obligatory as a universal law, and an explosion took place, would you make the liability of that explosion fall on the owner of the boiler?—If there were lives lost, and it could be proved that he was the cause, I would then make him liable.

43. I am assuming that the boiler had been properly inspected?—I think that should exonerate the owner from the responsibility.

44. Would you make the liability fall on the company in that case?—No, I think not; unless it could be proved that the company had neglected their duty.

45. Then would you look upon it as an unforeseen accident?—Yes; suppose there was a company entrusted with the inspection of your boiler or mine, and they neglected to inspect it periodically, and to see that it was in good working condition, I should say that the consequences would fall on the company.

46. You would have a Government inspector to inquire into the cause of every explosion, and if he found that the boiler company had neglected to inspect the boiler properly, the liability would fall on that company; would that be your view?—No; I am against Government interference at all, if you can possibly do without it. I think it is a very important question who is to be responsible in case of accident, and my opinion is that a person having a boiler should enrol it in an association (I do not like an insurance company, as I think the principle is wrong); he gets it enrolled and

and pays so much a year for its being inspected; and if the association neglects to inspect it, I think the responsibility would fall upon them; but if the owner of the boiler neglects to enrol his boiler, and to see it is regularly inspected, I think the responsibility ought to fall on the owner of the boiler.

47. Suppose an explosion occurs, and that the owner has not neglected his duty, and that the association has not neglected its duty, then you would not cause the responsibility to fall on either, I presume?—Then the boiler ought not to explode.

48. But you have already said that explosions may be expected to occur through unforeseen circumstances, though they may be a very small number?—Yes; some may occur from unforeseen occurrences, such as engineers or stokers interfering with the safety valves, or neglect of duty.

49. Mr. *Hermon.*] You spoke of making certain persons responsible, namely, the owners of boilers and others; I suppose you would not include in that, accidents arising from the carelessness of an employé; for instance, neglecting the water gauge, or the pressure gauge, or a safety valve; if a man who was accustomed to superintend the working of a boiler produced accident himself, it would be rather hard, would it not, that the owner of the boiler should be liable to compensate his family for the loss of that man's life?—I have known a man tie down the safety valve, and tamper with the works; but the responsibility would not be entirely removed from the owner, because you would infer from that that he had not employed a proper person to look after the boiler; but it might arise even with a person who ties down the safety valve; it might be from ignorance; but he runs the risk of being blown up along with the boiler, and he naturally would not do it intentionally for his own sake. Under those circumstances, it would have to be left to the jury to say who was the responsible person.

50. Of course you find more accidents arising from boilers at a high pressure than boilers at a low pressure, do you not?—Certainly. It is the same as kitchen boilers. I believe that during the days of James Watt, when he worked at a pressure of 7 lbs. on the square inch, we never heard of a boiler explosion at all unless it was from gross neglect or being stopped outright, because the moment the steam got up to a pressure exceeding 7 lbs. on the square inch, it forced the water out of the boiler; but that is not the case now with high pressure.

51. Mr. *Fielden.*] Would you test boilers up to four times the pressure at which they work?—I would not exceed one-fourth of the bursting pressure.

52. To what extent would you test a boiler above the working pressure?—Suppose a boiler to burst with a pressure of 400 lbs. on the square inch, I would only work it at 100 lbs. to the square inch.

53. Suppose you work a boiler at 40 lbs. pressure, what would you test it up to?—Not more than double the working pressure; certainly not.

54. Is it your opinion that over-testing a boiler tends to injure it?—There is no doubt of it.

55. Take a piece of iron, for example; if you apply one-half of the weight that would pull it asunder, you injure that iron very considerably?—Yes.

56. Is it not better if you are working a boiler at 40 lbs. pressure, to test it up to 60 lbs. with cold water than to test it up to 80 lbs.?—Yes, perhaps, it is; unless the boiler is new, and then you may double the working pressure.

57. Do you think that a boiler may be considered safe if it is tested at 60 lbs. when you work it at 40 lbs.?—A case might happen where a boiler had been injured by some unforeseen corrosion; it might burst with 80 lbs., and it would not be safe to test it up to 80 lbs., but you might test it up to 60 lbs. A boiler in such a condition would be on the point of explosion even at 40 lbs. pressure, and ought to be removed.

58. It might be dangerous to test a boiler up to 60 lbs. when you could work it at 40 lbs.?—Yes; if you test it up to 60 lbs., and still go on until in a very short period of time, perhaps, it would burst; then comes the question of inspection, which is a very important one, namely, to find out whether the boiler has not been worked so long as to reduce its power of resistance to the extent of one-half the working pressure, and even then it would be unsafe.

59. At what periods should the boilers be inspected; that is to say, what is the longest period that you would propose a boiler should go without being inspected?—I would have it inspected every quarter, and thoroughly inspected once a year to ascertain the state of the boiler.

60. By inspection, do you mean an inspection of the interior of the boiler?—Yes, an inspection of the interior of the boiler and the exterior, too; in other words, a thorough inspection of every part of the boiler.

61. You would have an inspection every three months, you say?—Yes, every three months; but not into the interior of the boiler, unless it were absolutely necessary from incrustration, or something of that kind.

62. What would the quarterly inspection consist of?—You would examine all the valves, and so on, to see that the boiler was in good working order, and give a certificate to that effect.

63. I think that you are in favour of a voluntary inspection rather than a Government inspection?—Yes, certainly.

64. Now suppose this association were appointed, and that everybody was obliged to have his boiler inspected by the officers of that association, how would you create control over them; what machinery would you devise to take care that the association should perform its duty of inspection?—Supposing the association were to employ inspectors, the association would look after those inspectors.

65. But who would look after the association?—They must look after themselves; they are responsible to the public, and they would be of very little value if they wanted to be looked after.

66. But associations do not always do all that they should do, and the difficulty is how to ensure that any voluntary association will do its duty thoroughly?—I am only judging from my experience in our own association; for 15 years it has worked exceedingly well, and if it requires attention, there is an executive committee, and that executive committee not only has a chief engineer who does his duty, but he has a large staff of inspectors under him, and it is the duty of the members of the association who enrol their boilers, to see that they are inspected thoroughly and periodically.

67. From what you state about your associa-

Sir *W. Fairbairn*, Bart.

23 June 1870.

tion, it appears you have a very efficient executive; but suppose from change of time and from necessary changes of persons from death, and so on, in the executive, the executive became apathetic, or that the persons were not energetic, then it seems to me that the association might not do the duty which you depute to it, and for the sake of doing which, you give it arbitrary powers to compel an inspection, is not that so?—I think the Government should deal with that question, as also the members to see that the associations were kept up to the mark.

68. Do you think if we relied upon an inspection by a voluntary association there should be Government control over that association, not to interfere with the minutiæ of their arrangements, but to take care that they did their duty?—There is a circumstance connected with it, and that is this, that any person on enrolling his boiler in such an association would have to pay for it, and very few people will pay for a thing unless they get some return for it to the value of the money they pay; under those circumstances it would naturally work well; but, suppose the association, either from want of care or from leaving to others what they ought to do themselves, was to allow the superintendence of the staff to get out of order, the time would come when something should be done to rectify it; a change of the committee, or something of that kind.

69. Persons subscribe their money in the belief that this inspection would be efficient, and we do not know that it is not efficient; and, of course, the officers would never neglect to go round; but I am supposing a case where they do go round and nominally inspect, though they really do not inspect, the boilers; do you not think, in such a case, that if a voluntary association were allowed to be used as a means of inspection, it would be necessary to have some Government control in the shape of a chief inspector or sub-inspector, to keep a check on the inspectors of the voluntary association?—I think, with regard to the association to which I belong, that their object is that the Government should establish a general principle, not going into detail at all, but leaving that to the associations and to the members of the associations. I think it would be very obnoxious to millowners and those who had factories and boilers, to have a Government inspector overlooking them; it is only in certain cases that I should wish for Government interference.

70. What I gather from you is this, that you think the Government should lay down certain broad principles which must be followed in all cases, and leave the carrying out of the detail of those principles to voluntary associations?—Yes, certainly, as I think a well-organised association, with an energetic committee, and an active superintendant engineer, would be quite equal to the task of managing their own business.

71. You think that would be more effective, and tend more to what we are all aiming at; that is to say, the prevention of explosions, than having a Government inspector to go round?—We cannot foresee the working of a law which does not exist; and very likely any enactment that might be passed by Parliament for the general supervision of boilers, might require after that law had passed, and had been tried, some amendment; at all events it is probable.

72. Colonel *Gray.*] You have had an association in Manchester for 15 years, I think, you say?—Yes.

73. Can you tell the Committee at all, what the proportion of the whole of those who have steam boilers in the district have enrolled themselves in the association?—Only a fraction of them. I think there is probably one-eighth or one-tenth of them. The number of boilers in Manchester and the district would very likely be 50,000, and we have only 2,000.

74. If something could be done to induce more persons to join the association, probably explosions would be very much more prevented?—Yes. There is a great many more boilers insured in insurance companies than there are in associations; one insurance company has 10,000 boilers while we have only 2,000. But although I could not from memory say what the strength of the staff of the insurance companies may be as compared with the staff of our association, I know it is considerably less. If for instance we have as large a staff for 2,000 boilers as they have for 10,000, the result would be a very imperfect inspection on the part of the insurance company.

75. I suppose there is no difficulty in obtaining good, efficient inspectors?—Certainly not; but they must be well paid, and must be intelligent men, and men who understand their work too; they ought to be mechanical engineers, in my opinion, of a superior class.

76. I daresay the reason of more men not joining the association is that they do not see any advantage in it?—They do not like to pay the rates. A great many people have boilers who belong neither to an association nor an insurance company, but they take the responsibility upon themselves.

77. Mr. *Cawley.*] Will you be kind enough to state in a few words what is the particular action which you think the Government could beneficially take in this matter, apart altogether from the voluntary question?—In simple terms I would say that all that is wanted on the part of the Government would be to enact a law that every person having a boiler should be bound to have it inspected by some competent authority; either an association or a company.

78. Would you have the Government take any active means to ascertain and certify the competency of those parties?—No. The fact is, that I think the less we have to do with the Government in a case of this kind the better, excepting that they should establish some general principle that steam boilers should be carefully inspected.

79. Would you leave that without the imposition of a penalty in case it were not done?—I must leave that to the Committee to determine in their Report; but I think that it ought to be under a penalty.

80. Mr. *Lancaster.*] You begin the inspection first by certifying that the boiler is a properly constructed one, I suppose?—Yes.

81. That would be the foundation?—Yes, or we would not accept it. If a boiler is defective in construction, and it is not satisfactory with regard to its powers of resistance, we object to it, and we will not have it.

82. You would retain that power to reject any boiler that did not come up to the standard of the inspector's rule, I suppose?—Yes, certainly. And then having once got a satisfactory boiler into the association, we have to take care that is kept in that state, and in good working order.

83. Any

83. Any neglect of inspection, whether by the owner or by the association, would now come under Lord Campbell's Act, and the owner would be liable for damages, would he not?—Certainly, but I never heard of penalties being exacted.

84. You have already stated that coroners' juries invariably give verdicts of accidental death, and that verdict excludes a case of that kind from the operation of the Act, does it not?—I do not say that in every case the verdict was brought in accidental death; as in several cases the causes have been fully ascertained by inspection. What I complain of is this: that witnesses are examined who are not competent to give an opinion, either from general ignorance or from want of knowledge of the particular subject, and they give evidence that induces the jury to return a verdict of accidental death, when the cause of an explosion might have been known by the examination of competent persons.

85. Mr. *Platt.*] I think we may take for granted that a periodical inspection is necessary, and we are agreed that it would be a very desirable thing?—No doubt.

86. But the means by which that inspection should be carried out is really the important point that we have to consider; now, as far as I understand the answers you have given, you appear to have a decided objection to Government inspection; would that objection be still the same if it was municipal instead of Governmental?—I think that a municipal inspection would not succeed at all, and it would not be much better than a Government inspection. What I want to do with regard to inspection is, that the owners of the boilers themselves should be the inspectors through some association that would really do the thing well.

87. You have been the president of this voluntary association for 15 or 20 years, have you not?—Yes.

88. During that time you have reached only a very small proportion of the boilers in the country, I suppose?—Yes, a very small proportion.

89. Now, I should like to know if, after that 20 years' experience, you do not think the voluntary system has failed?—No, I think not, quite the contrary; I think that a voluntary inspection is safer than any other inspection.

90. But would you not say that you had only got about 2,000 boilers out of about 50,000 in your district?—Yes.

91. Therefore, I ask you, should you not call that a failure in point of numbers?—Yes; but we have reasons for it, and here is a very excellent example set; we have gone on for 15 years without a single person being killed; and if you take the number of 50,000 boilers, how many out of that 50,000 have been killed during that time for want of inspection.

92. We are entirely agreed that great good is done by your association, but how are we to reach the 50,000 that are still left out of your association?—By multiplying the number of associations, but I must leave that to the Committee to determine.

93. But, esteeming highly your opinion, the Committee want to get a suggestion from you, if you please, as to what would be the best means of reaching those people?—I have already stated that the Government ought in my opinion to establish a law to make it imperative that every person having boilers should have them inspected, either voluntary, or as they please; let them agree among themselves how it should be done.

94. That would be, practically, a Governmental inspection, would it not?—No; I do not mean that the Government is to employ inspectors, quite the reverse; I only want the Government to make it compulsory that they should inspect, and leave the owners of the boilers to make the inspection as they please; I have already stated the number of visits that should be given, and a thorough inspection besides, once a year; and it remains with the Government to entertain it or not, as may be expedient.

95. I take your answer with regard to the Government, that you object to their having the inspection of the boilers, and I suggested whether you thought a municipal inspection would answer, and you said "No"; but the Committee are still without an answer with regard to who is the proper party to overlook the inspection, because there must be some authority to whom that must attach, must there not?—I think I said that I was extremely anxious that the Government should make it compulsory that boilers should be inspected; I did not mean that they should inspect the boilers, or that they should appoint a corps of inspectors at all, as in case of accident, either the association or the members would be responsible.

96. But you did not say who should be the parties to appoint those inspectors, and to whom they should be responsible; that is the question, is it not?—I must leave that in the hands of the Committee to say whether a Government inspection is necessary or not. My opinion is, the law of inspection should be compulsory, and inspection would follow as a matter of course.

97. *Chairman.*] I understood you to say that the Government should make it compulsory on the parties to place themselves under inspection, and then you think that the association would appoint their own inspectors?—I do not know whether the Committee understood what I said; but what I said was this: my opinion is, that the Government should compel every person who has a boiler to place himself under inspection.

98. But under whom?—Under the associations, which may form themselves under their own voluntary arrangements.

99. Lord *J. Hay.*] You do not mean that they are to be compelled to form an association?—I do not want the Government to force them to form an association; but I think it would naturally arise, if they were compelled to have the boilers inspected, that they would soon create an association for that purpose.

100. Mr. *Platt.*] I think you said, in the first part of your evidence, that there were two or three kinds of associations, one of which was an assurance association, and you thought that it was a very objectionable one?—Yes.

101. Would you be satisfied that the inspection should be thus: that if the Government said that all boilers should be inspected, certain parties might say, "We prefer to have it inspected by an insurance company"; or have you thought that that would be a very objectionable association for them to go to?—My opinion is, that it is immaterial whether the inspection takes place by an assurance society or by an association; that is a matter of no moment; but the inspection ought to be effective, and fully up to the mark with regard to the nature of the inspection.

102. Mr. *Armitstead.*] Do you think that if any

Sir *W. Fairbairn*, Bart.

23 June 1870.

any accident occurs, the parties in fault should be liable to the parties injured?—I think that people neglecting to put boilers under inspection should be liable. An Act of Parliament would be of no use without that condition, where loss of life and serious injuries are the result.

103. Mr. *Pim.*] You said that there were about 2,000 boilers in the neighbourhood of Manchester under your inspection?—Yes, we have 2,000 boilers in the neighbourhood of Manchester under the inspection of our association, and there are two or three insurance companies in Manchester besides our association.

104. But if in the 15 years that the association has been in existence there have been no accidents, are not the owners of the 2,000 boilers some of the most carefully and respectably managed concerns in the neighbourhood; and do you not think that from their general character, even if there had been no inspection, there would have been no accidents, or very few accidents, in concerns of that kind?—You see the number of boilers that we have under inspection in the association to which I belong is comparatively small with regard to the number of boilers in the United Kingdom. If a law was established to make it penal, that any person having a boiler should neglect to employ some company or association to inspect his boiler in order to prevent explosion, I think it would be a good thing. What that penalty should be, I am not prepared to say. As regards the class of subscribers to the association, they are not a selected class, but the general run of steam users.

105. But if the parties in connection with your association are among the best managed concerns in the kingdom, the experience you have had of there being no accidents is not at all a proof that the inspection would have the same result if you go to a lower class of concerns; would not that be so?—If it were established on the same principle, and carried out with the same interests and perseverance as ours, it would have the same effect.

106. You think that the Government should make a general law that every boiler owner should be forced to submit his boiler to inspection, do you not?—Yes.

107. I suppose your association only extends to Manchester and its neighbourhood?—Just so, and to other parts of the three kingdoms.

108. It does not go over the whole of the kingdom?—I daresay there are many gentlemen who have boilers, some of them more than a dozen boilers perhaps, and they say, "We will inspect our own boilers, and we will do it carefully." Under those circumstances, they take the whole of the responsibility.

109. But the point I wish to raise is this: your association exists in a district in which there are a large number of boilers?—Yes.

110. It is very easy to get up an association of owners of boilers, who are anxious that everything should be well managed, and who are well pleased to have them inspected; but how will your idea work out in places where there are perhaps two or three boilers in the neighbourhood, with no others near them; you would not propose to have a single association all over the kingdom, with a series of local associations; your plan may be easily worked in Lancashire, but how would it be in the remote districts of Ireland?—I think it would work equally well, and we have proved that it works as well in Ireland as in England.

111. But you cannot form an association where there are perhaps only a dozen boilers within a hundred square miles, can you?—In our association, we have boilers in all parts of the kingdom, including Ireland, at a very great distance apart, and our association is contending with regard to the boilers, that they should be inspected, but by whom they should be inspected is immaterial. If the Government were to establish a law to say that no person should use a boiler but what must be regularly inspected on a certain principle (I do not say that ours is the best), there would be no difficulty in working an association, provided you compelled every one to have his boiler inspected.

112. How are the inspectors to be paid?—By the owner of the boiler.

113. So much per horse power?—Yes; if you have half-a-dozen boilers, and enter your boilers into our association, you have to pay 31 *s.* 6 *d.* every year for it, and you obtain proper inspection. That would remove from the owner, to a certain extent, the responsibility of employing proper persons to carry out the instructions of the inspector.

114. You would compel the user of every boiler to pay an annual sum or tax for the inspection?—Yes.

115. Dr. *L. Playfair.*] Would you be satisfied with the private inspection of an engineer?—Yes, I would, if he was a qualified man.

116. But how would you determine his competency?—From a knowledge of his actual experience.

117. But who is to be the determiner of that competency?—The party employing him.

118. Supposing, then, a person in a distant part said, "I will take a local engineer," whose competency nobody knows, would that satisfy your idea of a proper inspection?—Persons at a distance being in communication with a number of persons employing boilers, and enrolling a boiler in an association, are sure to obtain competent inspection.

119. But I am not supposing the case of an association; I am supposing persons employing private engineers of their own; suppose I am a boiler user, and am willing to pay you, as a distinguished engineer, a large fee to inspect my boiler, is there any reason against that?—None whatever.

120. Suppose I am not able to employ a distinguished engineer, and I employ an engineer of far less mark, what is to be the proof of his competency?—You would not be justified in employing an engineer who was incompetent.

121. But you would leave it entirely to me, would you?—Yes, I would leave it entirely to you to take the responsibility; but that is a very rare occurrence; it would be much better for you to enrol yourself in an association.

122. We know that your association is well conducted, but if these associations arose all over the kingdom, what is to be the evidence of an engineer's competency?—You can have no other evidence, but by employing a competent engineer who thoroughly understands his business.

123. Mr. *Fielden.*] With regard to these associations, would you have them registered, and authorised to act by the Government?—Yes, I think so.

124. And

124. And that no association that was not registered should be held a competent association?—I think they ought to be registered, and that they should obtain the authority of Parliament as to their competency to examine boilers.

125. You would not allow any examination to be made by an association that was not registered?—No, I think not; I see no difficulty in having them registered.

126. Mr. *Hermon.*] In the proposed periodical examination by the inspector, would you recommend that the boilers should, at those periodical examinations, be tested at about 40 or 50 per cent. above the working power?—The practice in our association is this; that we test boilers occasionally, when we have any doubt with regard to their security, to something above the working pressure.

127. When a boiler has been declined or condemned, would you not make it imperative that that boiler should cease to be used?—Yes, certainly.

128. That is not the case at present, is it?—No.

129. *Chairman.*] Have you any further remarks to make to the Committee?—No.

Mr. Lavington E. Fletcher, called in; and Examined.

130. *Chairman.*] You are Chief Engineer to the Manchester Steam Users' Association?—Yes.

131. I believe that you have had considerable experience in the investigation of explosions that have taken place in the country generally?—I have paid considerable attention to the subject of steam-boiler explosions, having investigated all the most important cases that have occurred throughout the kingdom since the commencement of 1861, and reported thereon to the president and executive committee of our association. The results of these investigations have been given in the association's printed monthly reports circulated amongst its members, and sent to the public press gratuitously; so that the association has been at considerable pains to acquire information on the cause of these sad disasters, and to disseminate that information as widely as possible.

132. Will you be good enough to make a short statement to the Committee of the number of explosions that have occurred during the last several years, and the results that have attended them?—The records of the Manchester Steam Users' Association show that steam-boiler explosions are both frequent and fatal; I have selected from those records a few leading particulars that will, I think, prove of interest to this Committee. On one occasion as many as 29 persons were killed by a single explosion that occurred at the Millfields Ironworks, near Bilston, on Tuesday, the 15th of April 1862; the wreck caused by this explosion is illustrated in two or three of the photographs now shown (*handing in photographs*). In another case 13 persons were killed by an explosion at an ironworks at Masbro', on Wednesday, the 3rd of December 1862. In another case again 13 persons were killed at an ironworks at Aberaman on Wednesday, 17th February 1864. On this occasion two boilers exploded simultaneously; the wreck is shown by three of the photographs now handed in (*handing in photographs*), while these two plates (*producing iron plates*), cut from the boilers, are illustrations of their corroded state, to which reference will be made shortly. A further explosion, killing 12 persons, occurred at an ironworks at West Bromwich on Tuesday, the 1st of March 1864; the wreck in this instance also is illustrated by two of these photographs (*producing the same*). Another explosion may be named which killed 15 persons and injured 33 others at a bobbin turnery at Bingley, last summer, on Thursday, the 9th of June; the wreck in this instance also is illustrated by these four photographs (*producing the same*). A more recent one, resulting in the death of 13 persons, at the Kidsgrove Ironworks, Staffordshire, on Thursday, the 26th of May last, will be fresh in the memory of all; the ruptured boiler is shown in two or three photographs, which I produce (*producing the same*). These might be regarded as somewhat special cases, but explosions are by no means of occasional occurrence. They recur with the greatest regularity year by year; thus there have occurred already, since the commencement of this year, as many as 20 explosions, killing 44 persons and injuring 34 others; of these, I will hand in a tabular statement, giving the killed and injured in each case (*tabular statement handed in*, see *Appendix*). From that table it will be seen that since the Kidsgrove explosion, which occurred on Thursday, the 26th of May, that is to say, precisely this day four weeks, there have been six other explosions, killing six persons and injuring three others; so that, during the last month, including the Kidsgrove, as many as 19 persons have been killed. Last year, that is to say, in 1869, there were 58 explosions, killing 86 persons and injuring 126 others. Going further back still, as shown in this tabular statement (*handing in a Table*, vide *Appendix*), the Manchester Steam Users' Association has recorded since its formation in the year 1854 up to the close of 1869, as many as 539 explosions, by which 909 persons were killed, and 1,081 others injured. Adding to this those killed during this year it brings the total up to 559 explosions, killing 953 persons, and injuring 1,114 others. The total number of persons injured, including those killed, is 2,067. This, however, is by no means the whole number of lives sacrificed, as, in the earlier years of the association's operations, such complete records were not obtained of all the explosions occurring throughout the United Kingdom as is now the case; so that many escaped its notice. It may be stated that at the present time, on an average, 50 explosions occur every year, killing about 75 persons, and injuring as many others, so that, in round numbers, one explosion occurs every week, and one life is sacrificed every fourth working day in the year. Last year this estimate was exceeded, as many as 86 persons being killed, and already this year, although we have scarcely got half way through, as many as 44 persons have been killed. Thus it will be seen that explosions are not occasional, but that they recur with the regularity of a fixed law; and, judging from the experience of the past year, it appears absolutely certain that, if nothing is done to prevent these fearful catastrophes, by this time next year 50 more explosions will have occurred, and 75 more lives have been

Mr. *Fletcher.*

23 June 1870.

been sacrificed. The number of persons killed every year by boiler explosions exceeds the number of passengers killed on all the railways throughout the United Kingdom. From the Return published by the Board of Trade it appears that from the commencement of 1865 to the close of last year, the number of passengers killed by railway travelling, from circumstances beyond their own control, was 112, while during the same period the number of persons killed by boiler explosions was 336; so that for every passenger who loses his life by railway travelling, from circumstances beyond his own control, three persons are killed by boiler explosions. This will be seen from the accompanying Tables (*handing in same*, vide *Appendix*).

133. Have you found the destruction caused by explosions to be confined to the place where the explosions take place?—No; the mischief done by steam-boiler explosions very frequently extends beyond the works at which they occur, both as regards the destruction of property and the destruction of life. Thus, as recently as this day week only, viz., Thursday, June 16th, a boiler burst at a cotton mill at Blackburn, from the collapse of a combustion chamber, when the torrent of steam and hot water that rushed out from the rent, carried away the wall separating the mill premises from those of an adjoining cottage, and, playing on a young woman in one of the outbuildings belonging to her own dwelling, scalded her to death. This is a photograph of the exploded boiler and wreck occasioned, to which further reference will be made hereafter (*producing a photograph*). This represents the boiler, and this (*pointing to the photograph*) the outbuilding where the young woman was when the explosion occurred. The torrent of steam and hot water broke down the partition wall, and, firing on the young woman, killed her on her own premises. At Oldham an explosion, which occurred on Monday, the 22nd of June 1868, at a small mill let out in tenements to cotton spinners, machine makers, &c., levelled to the ground a workshop on the opposite side of the street. Fortunately no one was in the house at the time; but all the hands might have been at work. This explosion sprung from the collapse of the furnace tube, and this is a sketch of the boiler (*showing a sketch*) which was shamefully unfit for work. Into the causes of these catastrophes, however, I had better not enter at length at present.

134. What number of cases besides of that kind have you had?—A great number. Another explosion which may be referred to in illustration of the fact that the destruction occasioned by explosions is not confined to the works at which they occur, will be fresh in the memory of all; I refer to the one which occurred last year at Bingley. In this case the greater part of those killed were women and children. Adjoining the bobbin factory at which the explosion occurred was a national school, and just as the children were sporting in the playground, the boiler burst, bringing down the factory to which it belonged, burying 25 of the children in the ruins, and crushing eight of them to death; while out of the seven other persons killed, two of them were in their own dwelling-houses at the time. At Newcastle, a woman was standing at the door of her own cottage with her baby in her arms, when some portions of the *débris* scattered by the explosion of a neighbouring boiler struck her child and killed it on the spot. This occurred on Sunday, the 27th of May 1866. At St. Helen's a young woman working at her needle in an upstairs room, in her own dwelling, was struck by a boiler hurled from its seat and dashed against the window at which she sat. In consequence of the injuries she received her leg had to be amputated, and death shortly after ensued. This took place on Thursday, the 13th of August 1863. At Durham, just as an infant was making its first essay at walking across the floor of a room in a collier's cottage, a fragment of an exploded boiler came crashing through the roof, and, striking down the child, killed it on the spot. This occurred on July 30th 1864. At Miles Platting, a group of boys were sporting in a meadow, when the boiler of a locomotive engine just drawn up at an adjoining railway station burst, and scattering one of its fragments among the group, killed one of the boys on the spot, and injured another. This took place on Thursday, 26th May 1865. At Manchester, a house, in which an infirm old woman lay bedridden in an upper room, was demolished by a boiler explosion, when the poor woman with the bed on which she lay, was violently brought to the ground. This occurred on Thursday, the 14th of September 1865. At Morley, near Leeds, a most remarkable explosion occurred. The boiler burst into several fragments, and, flying to considerable distances, invaded the sanctity of three dwelling-houses in the most extraordinary manner. Half of one of the furnace tubes crashed through the roof of a cottage in which two boys were sleeping. Another similar fragment, after clearing one row of two-storied dwelling-houses, and then a street, fell upon the top of another row of houses, breaking through the roof, and lighting on a bed in the room below, while a large weight from the safety-valve lever fell through the roof of another house and alighted on another bed. This explosion occurred on the 27th of June 1863, killing 10 persons and injuring four others. One other case need only be mentioned, which was of very recent occurrence, and is as follows: At Portsmouth, a man walking along a street outside a brewery at which an explosion occurred, was struck down and killed on the spot by portions of the *débris* scattered around, while another man standing at the gates of the brewery, waiting for some grains, was seriously injured, but fortunately not fatally so. His horse, however, was killed, and the cart shattered to pieces, so that his escape must have been a very narrow one. Added to this, two dwelling-houses outside the brewery were levelled to the ground, and others seriously damaged. This occurred on Tuesday, the 29th of March 1870. This will suffice to show that the destruction consequent on boiler explosions is not by any means confined to the works at which the explosions occur, either as regards property or human life. This is of the greater importance now that boilers are of such universal adoption. They are to be found under the pavements of the streets over which we walk, in the kitchens of large hotels and clubs which the public frequent, and in the hearts of our large cities; they are to be found in the basements of factories round which, and over which, numbers of hands are employed. In fact, boilers are to be found everywhere, and at present, anyone has a right to lay down a boiler in almost any situation, too frequently to the imminent jeopardy of the lives of those living near it.

135. What

135. What has been the result of your investigations with regard to the causes of those catastrophes; can you tell the Committee, generally, how many explosions have come under your own observation of that description; I mean explosions causing death generally?—From the table already handed in, showing the number of explosions recorded from the year 1855, when our institution commenced, up to the 31st December 1869, it appears that there were 539 explosions, 909 persons killed, and 1,081 injured, making a total of 2,529 cases of injury.

136. Will you be kind enough to go on to the question of the causes of these disasters?—The cause of explosions has been involved in unnecessary mystery. Investigation shows that steam-boiler explosions do not spring from any subtle or unknown power, but from the pressure of the steam within the boiler, without any momentary and unnatural increase, and in most cases at its ordinary working point. As a rule, boilers burst simply because they are bad, bad either in make, condition, or attendance; so that, in a word, the cause of every boiler explosion is neglect, and the preventive, simply care. All boiler explosions may, as a rule, be attributed to the neglect of the boiler maker, the boiler master, or the boiler minder. Thus some explosions are due to the neglect of the boiler maker, in turning out a bad boiler, to begin with; others to the neglect of the boiler master, in allowing the boiler to be run down in condition, and to be worked out; and others, again, to the neglect of the boiler minder, in allowing the water to run short, &c. Boiler minders are often unjustly accused of causing explosions due to the want of science on the part of the boiler maker, or to the greed of the boiler master. More explosions by far are due to bad boilers, bad either from their original malconstruction, or from their worn-out condition, than to shortness of water; and where the boiler minder has to answer for one explosion, the boiler maker and the boiler master together have to answer for six.

137. Would you be kind enough to give the Committee some information as to the basis on which you ground those conclusions?—In the association's printed report for December last, I gave a summary of all the explosions that had occurred during the year 1869, with a tabular analysis of their causes, from which it will be seen (*handing in the table*, vide *Appendix*) that out of the 58 explosions which occurred last year, 26 arose from malconstruction, 15 arose from defective condition, seven arose from overheating through shortness of water; one arose from overheating through the use of boiler compositions; one arose from overheating, but the cause of which requires further consideration, while in eight cases the cause was not ascertained for the want of full particulars; making a total of 58 explosions. To increase the value of this analysis, I have carried it back as far as the commencement of 1861, and beg to present the Committee with a tabular statement of the result (*handing in a table*, vide *Appendix*). On a consultation of this table, it will be seen that there occurred, between the 1st of January 1861 and the 18th of June 1870, 411 explosions, killing 639 persons, and injuring 782 others. Of this number of explosions, the cause has been ascertained in 297 cases; of the others, sufficiently minute particulars were not obtained to warrant a decision being pronounced; of these 297 explosions, 120, *i.e.*, 40 per cent., were due to the malconstruction of the boilers, either in the shells or fittings; 88, *i.e.*, 29 per cent., were due to the defective condition of the boilers, either in the shells or fittings; 44, *i.e.*, 15 per cent., were due to the failure of the seams of rivets at the bottom of externally fired boilers; 38, *i.e.*, 13 per cent., were due to overheating of the plates; 30 of those due to overheating arising from shortness of water; six from incrustation; one from the use of boiler compositions; and one from causes requiring further consideration: five other explosions, *i.e.*, 2 per cent., being due to excessive pressure of steam through the attendants tampering with safety valves; while one explosion, amounting to, say, ½ per cent., occurred to an economiser, but whether from gas or over pressure of steam is uncertain; and one other, amounting to, say, ½ per cent., arose from causes entirely independent of the condition or construction of the boiler, and may thus be termed "accidental," making a total of 297 explosions the causes of which have been ascertained. A mere glance at that table will show that the two leading causes of the explosions enumerated therein were, one, the malconstruction of the boilers, and the other their defective condition.

138. Will you be kind enough to give the Committee a few illustrations of the explosions which have resulted from malconstruction of the boilers?—A fertile source of malconstruction is the omission of encircling hoops, flanged seams, or other appliances for securing furnace tubes in Cornish and Lancashire boilers from collapse. Here are several sketches of boilers under the inspection of the Manchester Steam Users' Association, in which these flanged seams, or encircling hoops, are shown. These sketches will clearly show what is meant by the terms "flanged seams" and "encircling hoops" (*laying some sketches on the Table of the Committee*). Those have already been before you in Sir William Fairbairn's evidence, so that they are not now so fully needed.

139. It is to the absence of those stays, or hoops, or flanges, that you attribute a great many cases of malconstruction of boilers?—Yes, just so; attention to this subject has been called by Sir William Fairbairn in reports on his researches into the resistance of tubes to collapse, while the necessity of these appliances has been pointed out in the association's reports for years. They are now very generally adopted by many first-class makers, and have been by some for years. Yet, in spite of this, they are neglected by others, and in some parts of the country it is impossible to persuade steam users that a furnace tube can collapse from any other cause than that of shortness of water. Hence a number of explosions from collapse of the furnace tubes, of which one or two illustrations may be given. One such occurred at Messrs. Bass and Company's brewery, Burton-on-Trent, on Thursday, the 1st of June 1865, killing two persons and injuring seven others. The collapsed furnace tube is shown in this photograph (*producing the same*). Another occurred at a tin-plate works near Swansea, on the 4th of April 1866, killing five persons and injuring five others. The collapsed furnace tube in this case is also shown in these photographs (*producing the same*). Another, again, occurred at Strathblane Print Works, Scotland, on the 9th of September 1864, killing seven persons and injuring seven others.

Mr. *Fletcher.*

23 June 1870.

others. Another occurred at the Abercarn Ironworks, in South Wales, on the 22nd of November 1865, killing six persons, as well as injuring nine others. All these explosions would have been prevented by adopting the simple precaution of strengthening the furnace tubes by encircling hoops. Seven explosions occurred from the neglect of this precaution last year, and similar cases might be cited almost without end. Explosion after explosion from this cause has been called attention to in the association's printed reports, and the adoption of the encircling hoops, or other adequate appliances, recommended *ad nauseam*. Yet these explosions go on, and, with the present ignorant prejudice that exists on the subject, they are likely to do so. Perhaps I may be allowed to quote a single brief sentence from my report on the collapse of two Cornish boilers, which happened in May 1868. The sentence is as follows: "Both these explosions occurred in the neighbourhood of the Land's End, where there seems an inveterate prejudice against adopting the simple precaution of strengthening the tubes with rings or other suitable means, in consequence of which fatal explosions constantly occur in the locality, and the single-flued Cornish boiler, though so safe if properly constructed, numbers almost, if not quite, as many explosions as any other. Thus, through persistent malconstruction, its character is seriously damaged. Strange that this should occur in the county that gave this class of boiler birth, and from which it takes its name." Mr. John Hocking, a member of an engineering firm in Cornwall, of long standing, wrote me shortly after, that these remarks on the obstinacy of Cornishmen to strengthen the furnace tubes of their boilers, which he considered not at all too strong, had been copied into the local prints, which he trusted would have a tendency to remove the prejudice against the adoption of the precautions recommended. I mention this to show that the association has not failed to speak very plainly on this subject, and to circulate information broadcast with regard thereto. Yet since the insertion of those remarks in the Cornish papers, explosion after explosion has continued to occur in Cornwall, simply from the collapse of furnace tubes, which might have been prevented by the adoption of the hoops recommended. The monthly report for July 1866 also deals very faithfully with this subject, and gives particulars of five explosions resulting from collapse of furnace tubes. On tabulating a number of explosions that had occurred during six consecutive years, and arranging them according to the class of boiler from which they had sprung, I found, somewhat to my surprise, that out of 227 boilers that burst, 49 of them were of the Cornish class, so that out of every four or five explosions, one springs from a Cornish boiler, or 22·5 per cent.; yet the Cornish boiler when well made and well looked after is one of the safest that can be adopted, and never bursts until it is abused. Further, under the head of malconstruction, it may be stated that a great many boilers burst from weak manholes, in consequence of the plates not being strengthened round the opening with a substantial mouthpiece; I am provided with photographs and models which will illustrate two or three of these explosions (*producing the same*). This is a model of a small crane boiler that burst from a weak manhole, killing four persons and injuring three others, on the 19th of April 1869, at Barking Gas Works; this is a photograph of another small boiler that burst from a weak manhole, at a braid manufactory at Leicester, on the 31st of May 1866, killing one person and injuring one other; this photograph represents another explosion from the same cause, which occurred at a brewery at Norwich, on the 13th of March 1866, killing one person and injuring another; this next photograph represents a portable agricultural boiler which also gave way at the unguarded manhole, on the 9th of January 1865, at Retford.

140. By an unguarded manhole, you mean that it is not strengthened with any ring round it, but simply a hole cut through the plate?—Yes, without a substantial mouthpiece to strengthen it. It will be observed that these are all small boilers, but considerable destruction occurred on their explosion. I have here two plates which will explain the matter to the Committee (*two plates being produced*). These plates are from the boiler itself, and this is where the manhole was, from which the rent sprung; this was a small boiler which you could almost take up and carry away with you.

141. There is no protection there whatever, is there?—None; those are not peculiar cases, but they are very frequent, and the cause is simply what I have already stated; we never approve a boiler until it has a mouthpiece. Explosions from unguarded manholes are very common, by some of them nearly a dozen persons have been killed, though the boilers were small, looking as if they were not capable of doing much mischief.

142. A great many of those boilers which do not appear dangerous to a casual observer are capable of doing much mischief, are they not?—Just so; but people will not be convinced till the boilers burst. Other explosions, due to malconstruction, arise from want of stays, and four boilers burst from this cause last year. Three explosions of this character may be briefly referred to. One occurred on board a steamer lying in the Thames on the 11th of August last, the end of the boiler being blown out, when three persons were killed. This drawing (*producing a drawing*) illustrates the construction of the boiler, and the mode in which it failed. This further drawing (*producing the same*) shows another boiler that gave way from defective staying, at Dudley, on the 27th of November 1867, killing one man. In this case one of the ends of the boiler was blown out, consequent on the removal of the furnace tube. When the furnace tube, which formed a most valuable longitudinal stay, was removed, no adequate provision was made for repairing its loss, and the end was blown out from sheer weakness. This unwise practice of taking out furnace tubes from Cornish boilers without inserting suitable stays in their place, is by no means an infrequent source of explosion; in illustration of which, it may be stated that an explosion from this cause occurred at Aberaman on the 31st of May 1869, killing four persons and injuring four others. Another explosion, owing to the flat end of a boiler being blown out, occurred at Lydney, on the 28th of October last, killing one person and injuring five others. Another explosion from want of stays occurred at Tunstall, on the 28th of July 1866, resulting in the death of two persons and in injury to seven others. In this case the boiler was of considerable size, being as much as 36 feet long by 9 feet in

in diameter, while it was worked at a pressure of from 35 lbs. to 40 lbs. on the square inch. The end was blown out and the boiler thrown to a considerable distance, while, in addition, another boiler alongside was thrown on to a public road, and as this road happened to be on an incline, the boiler went rolling down with a man and a boy at work inside it. These explosions were all the result of unscientific boiler making. In addition to the preceding, malconstruction is sometimes due to defective material and workmanship; in illustration of which, an explosion may be referred to which occurred at Norwich on the 27th of September 1866, by which the works were laid in ruins, seven persons killed, and two others injured. The havoc produced by this explosion is shown in these photographs (*producing photographs*). Other cases of malconstruction are due to the defective equipment of the boilers, such as bad safety valves and bad water gauges. The safety valve which I now place on the Table (*producing the same*), and which is loaded with a direct spiral spring of very inferior construction, was productive of an explosion at Burnley, on the 26th of April 1866, by which two persons were killed and two others injured; while another safety valve of similar construction, fitted to a similar boiler, and turned out by the same maker, caused a second explosion at Liverpool, on the 9th of October 1866, on board a steamship, killing eight persons; this safety valve is so defective that a turn of the nuts adds some 60 or 70 lbs. to the pressure; there was but a thread between life and death. The boiler fitted with this safety valve was styled at the inquest, by a scientific witness, as little short of an "infernal machine"; the expression, though a strong one, appears to have been warranted. One turn of the nuts would make about 80 lbs. difference in the pressure; the man took them off to clean his boiler, and when he had done that, he had nothing to go by except his eye; that was a small boiler, scarcely my own height These drawings show the construction of the boilers from which these explosions sprung, and also the direction of the rents (*producing drawings*).

143. Mr. *Cawley*.] You assume that he had, in fact, screwed it down too tight, do you?—That was so; but the man could hardly help it.

144. Just so; he had nothing to guide him?—No.

145. Mr. *Lancaster*.] There was no neglect on the part of the man in that case, was there?—No; we tested that with water pressure, and we found it the most ticklish thing we ever had to do with; at the inquest, the maker, through his lawyer, endeavoured to attribute this explosion to shortness of the water.

146. One was at Burnley, and the other was on the deck of a steamship at Liverpool?—Yes.

147. The Burnley boiler was a crane boiler, was it not?—Yes; for hoisting purposes.

148. Mr. *Hermon*.] Were those boiler explosions the result of defective construction?—Yes; it is about two or three years since these explosions occurred, and I trust these safety valves are stopped; I called attention at the inquests to the defective safety valves and unguarded manholes. With regard to explosions resulting from defective condition of boilers, I may state that boilers are too often allowed to be worked on till the plates become so wasted away by corrosion, as to be no thicker than a sheet of brown paper. Sometimes this arises from damp in the flues, when the boiler becomes wasted externally, and sometimes from the corrosive action of the feed-water, when the boiler becomes wasted internally. This is the plate which Sir William Fairbairn called attention to in his evidence, which is no thicker than an old sixpence (*producing a plate*). This plate was cut out from a boiler that burst at Wigan, on the 24th of April 1865, killing one person and injuring four others. The fireman, who was only an inexperienced lad of 19 years of age, was standing on the top of the boiler at the time of the explosion, and was blown to a distance of 100 yards, being, of course, killed on the spot. It appears that this boiler had been seldom, if ever, inspected; indeed, the external flues were so contracted, that the attendant stated that no examination could be made; so that the boiler had just been allowed to work on until it burst; while one alongside, which was uncovered by the explosion, was rapidly approaching the same point, the plates being dangerously eaten away where in contact with the brickwork. It may be added, that the owner of this boiler had another explosion at his works only a fortnight before, by which three persons were injured. The explosion due to the thin plate was attributed by the owner to shortness of water.

149. Mr. *Lancaster*.] I wish, in one or two cases, you would give the date from which the boiler was set to work?—I am only afraid of burdening the Committee with too many details; this, I think, was an old boiler.

150. Mr. *Hermon*.] Do you know the pressure on that boiler when it burst?—I think it was about 40 lbs.; at the same colliery they had another explosion a fortnight before that.

151. Mr. *Cawley*.] Can you give the Committee the age of that boiler?—It is not always easy to get the ages.

152. Sir *Thomas Bazley*.] Is it not desirable to know the length of time for which they are actually at work; the age is not always a criterion, is it?—Corrosion would affect the boiler as much without the action of the fire as with it, and, in some cases, more. This is my report on the explosion at the time: "On examining the fragments of the exploded boiler, I found that the primary rent had occurred just where the plates had rested on the brickwork seating, and where they had been so reduced by corrosion for a considerable length as to be as thin as a sheet of paper, so that it was a matter of great surprise that the boiler had not exploded long before; the boiler showed signs of great neglect throughout, the plates being also materially corroded where they had rested on the other side wall. It was difficult to ascertain precisely the age of the boiler, but it was an old one, and reported to have been down not less than 20 years; it had been seldom, if ever, inspected; indeed, the external flues were so contracted that the attendant stated he was unable to get up them to make any examination, so that the boiler had just been allowed to work on until it burst, and the one alongside, which was uncovered by the explosion, seemed to be rapidly approaching the same state, being seriously eaten away where it had been in contact with the brickwork, at which part the plates were shaling off, and were of a bright red colour, from the effects of active corrosion."

153. Can you state at what pressure the boiler was working when it exploded?—I will refer to my report on this explosion made at the time.

Mr. *Fletcher.*

23 June 1870.

From this it seems that the boiler was 25 feet long, 3 feet in diameter, and three-eighths of an inch; the pressure would be about from 50 lbs. to 60 lbs.; it was reported to have been at work not less than 20 years, and had been seldom, if ever, inspected.

154. Mr. *Cawley.*] Have you evidence which you could rely upon that the boiler was actually working at a pressure of 50 lbs. on that thin plate of iron?—I do not know that I have; it would be clear on seeing the explosion that it had gone from the wasting of the boiler, therefore there would be no practical difference whether it was worked at 40 lbs., 50 lbs., or 60 lbs.

155. But we have doubts on our minds whether it is possible that a piece of iron worn to that extent could at any moment have stood a pressure of 50 lbs.?—It depends on the brickwork; it is an astonishing thing, no doubt.

156. Are not people likely to run away with the notion that a boiler will bear a great deal more pressure than we should venture to put upon it, if they find that a thin piece of iron actually did bear a pressure of 50 lbs. to an inch?—It looks a very extraordinary case; even 40 lbs. is extraordinary to me.

157. It is inconsistent with most of the experiments that you have made on the bursting powers of iron, is it not?—I should not trespass on a boiler at that pressure. I have a copy of the evidence given on the inquest at that time, and in it I find "the pressure upon the boiler was about 50 lbs"; but I could not say that it exceeded 25 lbs. These two plates (*producing two plates*) were cut from two boilers worked side by side, and which exploded simultaneously at Aberaman, on the 17th of February 1864, killing 13 persons, and injuring 10 others. The boilers were 43 feet long, 9 feet in diameter, and worked at a pressure of 45 lbs. per square inch. These plates will show, to some extent, the extraordinary manner in which the boilers had been attacked internally by corrosion. The water in this case was drawn from coal workings, and was very corrosive in its character. It might be worth while for the Committee to look at the plate, for it is the most extraordinary plate I ever had. The Committee will see that there is a longitudinal groove in one of the plates.

158. *Chairman.*] Was there a great portion of the iron in that state?—I managed to secure that piece, but I could not get any more. I left with a promise that I should have plenty of it; there was a very large quantity in that state; enough to cover this table.

159. It had been exposed to the action of the water, I suppose?—Yes, decidedly.

160. Sir *T. Bazley.*] You are aware, I suppose, that the corrosive power of the water varies very much in different districts?—Yes; the water in this case was drawn from the coal working, about three miles up, I believe; I believe the longitudinal furrow in this plate (*pointing thereto*) started the explosion of one boiler, and then the other followed. I have one or two more cases, and they are important. This boiler (*producing another plate*) I was told went in two years; and those plates, though now as thin as cardboard, had been originally 7-16ths of an inch thick. This was at Bury.

161. You attribute that to the action of the water, I suppose?—Yes; it was reduced from 7-16ths of an inch to 1-16th, and it had been re-bottomed, I was told, two years before.

162. Mr. *Hermon.*] Was that boiler inspected?—I never heard of the boiler until I heard of the explosion, and went to see it. None of those cases had been under our inspection.

163. Mr. *M'Clure.*] Do you know if this belonged to the inspection of any other association?—I am prepared to enter into that if the Committee wish it. This plate (*producing another plate*) was cut from the boiler that exploded at Bingley on the 9th of June 1869, killing 15 persons, and injuring 33 others. The boiler gave way at the bottom of the external shell, where the plates were seriously reduced in thickness by corrosion. This plate (*producing another plate*) was cut from a boiler which exploded at Accrington on the 19th of October last, killing two persons, and injuring three others. This boiler gave way at the bottom of the external shell, in consequence of extensive corrosion of the plates when in contact with the brickwork. The specimen will be found at the line of fracture to be reduced to the thickness of 1-16th of an inch. In this case the boiler was improperly set, and the brickwork was damp.

164. Mr. *Pim.*] That was a case of external corrosion, was it not?—Yes.

165. And the previous two cases were internal corrosion?—Yes, the previous two were cases of internal corrosion.

166. Mr. *Platt.*] You would not attribute that entirely to the boiler being set in damp brickwork, would you?—It was not set in damp brickwork, but there was water falling on it, and that kept it constantly damped.

167. *Chairman.*] It could not be inspected, I suppose, in consequence of the bad way in which it was set up?—I believe there was an underspring; at all events, it was low, and there was some question about the roof at one end of the boiler, and there was a dropping on to the top. This plate (*referring to another plate*) is a specimen of most extraordinary boiler repair; it is difficult to do it justice by any description (*the Members of the Committee inspected the plate which stood at the side of the Committee-room, being too large to be produced at the Table*). This plate was cut from a boiler which exploded near Kidderminster on the 16th of July last, killing one person, and injuring four others. It will be seen that the plate is reduced by external corrosion to the thickness of a sheet of paper.

168. How long had that boiler been at work?—The boiler in question was of the plain cylindrical egg-ended externally fired class, and measured about 21 feet in length, by four feet six inches in diameter, while the thickness of the plates was as nearly as may be 3-8ths of an inch, and the ordinary working pressure about 50 lbs. on a square inch. It appears that about a year before the explosion happened, the attendant had discovered a flaw on one side of the boiler, which he repaired in the following unsatisfactory manner; instead of having the defective part cut out and a new plate securely riveted to the boiler, he laid a patch about four feet eight inches long, by nine inches wide, on the outside of the boiler over the defective part, and in a horizontal direction, while he laid another patch of very similar dimensions inside the boiler, immediately under the outer one, passing a number of bolts, amounting in all to 37, through the three thicknesses, and leaving between each of the patches and the boiler plate, a layer about half an inch thick of hemp or felt, or something very similar, in order

to

to make the whole straight and watertight. To accommodate the length of the bolts to the three thicknesses of the plate and two thicknesses of padding, 49 rough and irregularly shaped bits of iron were put under the nuts as washers, so that the whole presented a most unmechanical and clumsy appearance, looking far more like a relic from a scrap heap than a portion of a boiler worked at a pressure of 50 lbs. on the square inch, on the integrity of which the safety of life and limb depended. Such a patch, or rather plaister, proved, as might be expected, anything but effective. The boiler kept on leaking, and the water trickled down upon the longitudinal seam of rivets just below, eating the heads off on its way, and also thinning the plate a few inches lower down, where it was covered by the brickwork forming the top of one of the side flues, until it was reduced for a length of upwards of four feet down to the thickness of a sheet of paper, in consequence of which the boiler burst, simply from loss of metal.

169. That boiler was not, I presume, under any inspection?—None, except the stoker's.

170. Mr. *Armitstead.*] Did any loss of life occur?—It killed one person and injured four others.

171. *Chairman.*] What was the verdict at the coroner's inquest in this case?—The verdict in the case of the Kidderminster explosion was, "that the deceased died from the effect of a boiler explosion; and the jury were of opinion that the explosion took place in consequence of the boiler being worked in an unsafe state. They attributed the accident to the unskilfulness of the engineer in charge; they did not attribute any carelessness to him, but want of skill. They also expressed satisfaction at the light thrown on the affair by Mr. Inshaw's evidence." By my persuasion they put the boiler under the inspection of Mr. Marten, of Stourbridge. They offered to put it under our inspection, but Stourbridge was nearer for them. This model (*producing a model*) represents a boiler that burst at Her Majesty's dockyard, Chatham, on the 7th of September 1866, killing two persons and injuring three others. The model also shows the lines of rent assumed. In this case the boiler gave way at the bottom of the external shell, where the plates were wasted by external corrosion.

172. This boiler burst from the effects of external corrosion?—Yes.

173. The line of rent seems to have run into the man-hole?—Yes.

174. This was at Her Majesty's dockyard at Chatham?—Yes.

175. And the boiler was under the same kind of inspection as the marine boilers, I suppose?—It was under the inspection of the boiler maker at the dockyard. This photograph (*producing another photograph*) shows the wreck occasioned by the explosion of a boiler through external corrosion at the bottom of the shell when resting on a midfeather. It will be seen that the whole house was laid in ruins, in consequence of which several lives were lost. The explosion took place at Manchester the 23rd of December 1867, killing six persons and injuring four others. This photograph (*producing another photograph*) shows the wreck occasioned by the explosion of another boiler from external corrosion, which gave way at the bottom of the shell. In this case, like the preceding one, the entire works, with the rooms above, were brought to the ground, and several persons buried in the ruins. This explosion occurred at Leeds on the 27th March 1866, two persons being killed and six others injured. This photograph (*producing another photograph*) shows the fragments of another boiler that burst from thinning of the plates from external corrosion at Batley, on the 11th July 1867, killing two men and injuring three others. This photograph (*producing another photograph*) shows the fragments of another boiler that burst at Wortley, from the same cause as the one just referred to at Leeds, on the 30th December 1867, injuring two persons. This photograph (*producing another photograph*) illustrates an explosion that occurred at Messrs. Furlong's, the dyers, near Manchester. I have several cases of that kind that affect the public at large, and not merely those who have an interest in the premises.

176. Mr. *Cawley.*] An explosion will inflict injury for a certain distance beyond the place, irrespective of the question to whom the premises belong?—Of course. Defective condition is a most prolific source of explosions, and many other cases might be given, but it is thought the above will suffice. Explosions arising from this cause are most destructive in their results, inasmuch as the external shell is frequently attacked, and when this gives way, the entire boiler is generally hurled from its seat, torn into a number of fragments, and scattered around on every side. The ravages, however, of corrosion can always be detected, by competent examination, in time to ascertain the danger and avert explosion.

177. *Chairman.*] The Committee understand from your evidence that explosions arise from simple and known causes, and thus that they can be grappled with; would you be kind enough to state in what way you propose to grapple with them?—I should propose to grapple with them simply by competent inspection. Boilers should be inspected in the first instance and tested by hydraulic pressure before leaving the maker's yard, being carefully examined while under pressure. Also they should be periodically inspected while in use, both when under steam and when at rest. Every boiler should receive at least one "entire" examination while at rest every year; that is to say, the boiler should be entered, and the external brickwork flues passed round, and the entire surface of the plates carefully examined. Competent inspection would have detected the weak furnace tubes and the defective staying, as well as the cases of corrosion already referred to, in time to have prevented the explosions; we have found this to be the case from the working of our own association. We have frequently met with dangerous defects in boilers when first enrolled with us. We have found some boilers on the eve of explosion, and have given warning, either of the thin plates or weak furnace tubes, in time to avert disaster. In illustration of this, one or two cases may be given of the condition in which some boilers have been found when first enrolled with the association. I have here a report (*producing a Paper*) on the first examination made of two boilers somewhat recently placed under the inspection of our association. The plates of these boilers were seriously corroded, and one of them so thin that our inspector knocked a hole through with his hammer. It should be added that these two boilers had but one safety valve between them, placed on the steam pipe beyond the steam stop valves,

Mr. *Fletcher.*

23 June 1870.

valves, so that had the stop valves been left shut by inadvertence, as might have been the case in getting up steam, the boilers would have been without any safety valve at all. On a faithful report being made to the owners, they at once pulled out these old boilers and laid down new ones. With such an arrangement of safety valve it is a perfect miracle that the boilers escaped explosion, and, as this case was met with within two or three miles of the Manchester Exchange, it shows that even in that manufacturing centre, independent boiler inspection is highly necessary. In another case, on one of the association's inspectors examining a couple of Cornish boilers (*producing a Paper and drawing*), he found them both so wasted by corrosion along the bottom, where resting on the mid-feather wall, that a thickness of not more than a 16th of an inch remained. The owners at once had the boilers taken out, turned bottom upward, and thoroughly repaired. This is another report (*producing another Paper*) from one of our inspectors on the examination of a Lancashire boiler, which, like the last, was set upon a mid-feather wall. This wall was 18 inches wide, and the plates, where resting on it, were found to be dangerously corroded from one end of the boiler to the other, while the seating was caked with oxide upwards of an inch thick, which had scaled off from the plates. The external flues were excessively damp, and the boiler had been lying at rest for some time. The party in possession at the time of the examination had but just purchased the boiler, and though the plates were completely rotten, it was with much difficulty that he was persuaded that the boiler was unfit for immediate use. Had steam been got up in the boiler but one result could have followed, and the owner has to thank the association for saving him from an explosion, though rather against his will. All the five boilers referred to were just at the bursting point, and this danger was exposed by the association's inspections. Other cases could be given, were it necessary. This, I thought, would be a sufficient list in illustration of the competency of inspection to detect the dangerous condition of bad boilers in time to prevent explosions.

178. Have any of the boilers enrolled in your association exploded?—I can answer that question more accurately if I confine myself to the period during which I have had the honour of being connected with this association, viz., the last nine and a-half years, which, no doubt, will be a sufficiently long range; during that period, with but one exception, to which I will immediately refer, no explosion has sprung from any boiler approved by this association; the exceptional explosion just mentioned arose from the overheating of the furnace crowns of a boiler, consequent on the injudicious use of boiler compositions.

179. Mr. *Cawley.*] Will you be kind enough to state, for the information of some persons who may see this evidence, who may not know it as well as the Members of the Committee, what you mean by that term?—The term "boiler compositions" is a very usual one for chemical compounds put into the water to prevent corrosion or incrustation; in consequence of the overheating just named, one of the furnace crowns rent, but the boiler was not stirred from its seat, nor was anyone injured; the practice had been recently adopted, without the knowledge of the association, of heavily dosing this boiler with large quantities of caustic soda and arsenic, and as blowing out was neglected, as it too frequently is when compositions are used, the water in the boiler became nearly as thick as gruel, in consequence of which overheating occurred; this plan of what may be termed "dosing boilers with patent medicines," is a course which this association has never approved, while it has been at considerable pains to warn its members against the danger of such practice; thus, while the boiler was proved as safe, and passed as such by the association, the treatment it received at the hands of its owner was not approved, and it should be observed that it burst through its treatment, which the association had not approved, and not through its construction or condition, which the association had approved; in addition to this explosion, four others sprung from boilers which this association had not approved, and for which it was not responsible. The particulars of all four explosions can be given if required; but, perhaps, the particulars of one will suffice. In this case the boiler was constructed with an oval flue of very weak form. Several explosions had occurred through the weakness of these flues in similar boilers, and the danger had been plainly pointed out to the owner; I had pointed it out myself at an interview, had also written him thereon, while the warning had been repeated in our periodical reports. In consequence of these warnings the owner called upon me with his boiler maker, and arranged for the flue to be strengthened; but this was not done promptly, and while the maker delayed, the boiler burst, as the association said it would, if not strengthened. This explosion was simply a confirmation of the correctness of the association's reports.

180. Mr. *Birley.*] That was a second explosion, was it not?—Yes, they were two distinct cases. During the last 5½ years the association has adopted the plan of endorsing its approval of such boilers placed under its inspection, as it has felt justified in doing, to the extent of 300 *l.* on each boiler, or in other words, of giving a pecuniary guarantee of the safety of each approved boiler to that amount. This draws a distinct line between the boilers approved and those not approved, and has been found to secure a greater amount of co-operation from the members, and also to add weight to the inspections. The only boiler guaranteed by this association that has ever exploded is the one referred to, that failed from overheating of one of the furnace crowns, consequent on being "dosed with patent medicines" without the knowledge or consent of the association. The guarantee system has now been in operation for the last 5½ years, and while during that period only one explosion has sprung from any of the boilers guaranteed by the Manchester Steam Users' Association, 279 explosions have occurred, killing 380 persons and injuring 473 others outside its ranks. Looking at the number of boilers under the charge of the association, even supposing that the collapse of the furnace tube, referred to above, caused by the use of compositions, were reckoned as an explosion for which the association was duly chargeable, it would only make the proportion of the boilers under the charge of this association that explode, to be 1 in 10,000 per annum.

181. How many boilers are there in the kingdom to which those explosions refer?—No one knows

knows how many boilers there are in the kingdom, but they might perhaps be moderately estimated at 100,000.

182. You think it is not more than that?—I cannot say; a consideration of the circumstances previously named, will show that the explosions that have sprung from the boilers under the charge of the Manchester Steam Users Association are no argument against the validity of periodical boiler inspection, and there can be no question that if this system were faithfully carried out and generally adopted, it would prove perfectly adequate to put down all the steam boiler explosions in the kingdom.

183. *Chairman.*] The general opinion appears to be that the only way to put down these explosions is to enforce the periodical inspection of every boiler in the kingdom, is not that so?—It is increasingly so.

184. Will you be kind enough to state to the Committee your views upon that point a little more fully?—In answer to that question I can only state that I should much rather see all the boilers in the country placed under inspection voluntarily than by compulsion, and have done my utmost, while I have had the honour of being connected with the Manchester Steam Users Association, to promote voluntary inspection; but the carelessness of steam users, and the frequency of explosions, with the great loss of life resulting therefrom, drive me to the conclusion that the time has arrived when coercion must be adopted, and that every steam user should be compelled by law to place his boilers under competent periodical inspection, and without this he should not be allowed to use them. Compulsion may be an ugly word, and steam users may object to it, but compulsory inspection will be found to prove a forced benefit, and I cannot see any hardship in compelling careless steam users to do that which careful ones have voluntarily done with so much benefit to themselves for years. The experience of our association has shown two things; one that voluntary inspection will prevent explosions, and the other that steam users, as a rule, will not accept this remedy. There are not at the very outside more than 20,000 boilers throughout the entire kingdom, enrolled either with inspection associations or insurance companies, and as the total number of boilers throughout the kingdom may be moderately estimated at not less than 100,000, it follows that out of every five boilers in the country, not more than one is either under inspection or insurance. Under these circumstances I see no remedy but that periodical inspection should be enforced by law, the result of which, if faithfully carried out, I cannot entertain a doubt would be to reduce explosions to a minimum, and save the greater portion of the 75 lives now annually sacrificed.

185. Have you any suggestion to make to the Committee with regard to the manner in which a general inspection of the steam boilers throughout the kingdom should be carried out?—I should like to be allowed to answer that question negatively in the first instance, because it is rather important to clear the ground; various plans are proposed, and the plan very generally proposed is, that a very heavy deodand or penalty should be levied in the case of an explosion, to make the parties responsible. I should like to touch upon that point.

186. Perhaps you will be kind enough, in the first instance, to state to the Committee what you yourself recommend; if I rightly understand your evidence, your opinion generally is, that this inspection should be carried out so as to bring the whole of the boilers in the United Kingdom under some efficient inspection?—Just so.

187. Mr. *Cawley.*] Your evidence shows two things; first, that the explosions which take place are easily traceable to causes which may be remedied?—Yes, decidedly.

188. And, in the second place, that the remedy is to be found in periodical competent inspection?—Yes.

189. Now we come to the third point; how would you suggest that that competent inspection should be attained?—It seems to me that the best system is as follows: first of all let it be enacted that every boiler should be inspected, and that no boiler should be allowed to be used unless certified as safe and sound. With regard to the parties to administer that inspection, I do not think that it should be administered by the Government imperially or locally; but that to administer it there should be formed one central board, consisting of steam users, so as fairly to represent the general steam interests of the country; this steam board to be so elected that it might win the confidence of the whole of the country, and fairly represent it; it should be composed, in my opinion, of one half of men of commerce, and the other half of men of science. By men of commerce I mean steam users who own boilers, and those who have a direct pecuniary interest in their management. The others should be engineers, and other men of science, having a general interest in the use of steam, and competent to advise the steam board with reference to questions of boiler inspection, and add weight to their counsels. This board, I think, might consist of about 40 members, and control from one centre; but have a number of inspecting centres. About 30 inspecting centres might be required all over the country, or as many as might be found necessary, from which the operations might be conducted. At present our association administers from Manchester. We go as far north as Darlington, and as far south as London, Dover, Portsmouth, and Plymouth. We go as far east as Norwich, and we go as far west as Dublin, Cork, Bantry, and Limerick. Now if we can do our members justice at that distance, it must be clear that they could be done greater justice to with a number of centres, with a radius of about 10 miles, so that the whole number of boilers in the country would receive as full attention, under a general system, as they do now under our system working at Manchester.

190. Mr. *Cawley.*] Would you propose to leave the appointment of the inspecting centres to the central board?—The central board are to rule the whole thing; that is to say, to appoint the staff to administer, make laws, bye-laws, rules, and regulations; to fix the rates, and raise or lower them, as they find necessary, and this power might safely be entrusted to them, as they are steam users themselves, and thus have the right feeling for steam users; in fact, they would be responsible for the whole well-being of the concern.

191. If I rightly understand you, your general scheme is this, that Government should make it obligatory on all steam users to have their boilers inspected?—Yes.

Mr. *Fletcher.*

23 June 1870.

192. And that they should be, in fact, a constituency who should elect a central board, and that the central board should have all the authority of making the necessary laws for carrying out that inspection, and appoint such sub-committees, if I may use the term, or centres of action, as might to them seem necessary for the carrying out of the work?—Very much so; if I may use the term, it would be a national steam users' parliament.

193. You mean national in the sense of being limited to those who are steam users?—Yes, with no sub-commitees; I think that would involve confusion at once.

194. Then what do you mean by inspecting centres?—There would be local staffs of officers for administering the inspection.

195. And they are to report to the central body?—Yes, decidedly; the management is to rest with the central board in Manchester, Leeds, Birmingham, or London. The locality of the central board is to be settled hereafter. There is to be a central board of control, locally elected and operating through local inspecting centres.

196. I suppose you would subdivide the kingdom into districts for elective purposes?—I would have local representation, but a central board of control.

197. But do you mean by local representation that the kingdom would be divided into areas, and that within each area the steam users would elect their representatives?—Yes, so that the board might be responsible to the steam users of the neighbourhood.

198. *Chairman.*] That is to say, such places as Manchester, Bolton, and Preston, would each send one or two representatives to the central board?—Yes, that is what I mean.

199. Mr. *Hermon.*] This Board would have the appointment of the staff of inspectors, I suppose?—Yes, entirely so; if it were worked with local boards, there would be too great a variety of views and opinions upon the subject. Boiler construction is a progressive and not a fixed science, and as has been shown by those tables which I have handed in, more explosions arise from bad boiler-making than any other cause, which proves that boiler-making is not understood. If you had 20 controlling boards, you would have 20 different opinions. A boiler, which is considered safe in Cornwall, we do not consider safe in Manchester; what would be safe at one place would not be safe at another, so that safety would be a question of geography.

200. Mr. *Cowley.*] That is assuming that each sub-committee had an independent authority, but I did not assume that?—It is very generally proposed that inspection shall be carried out by the local authority. I wish to show that central control is essential to integrity of inspection, which is so important.

201. Mr. *Platt.*] According to your plan, you spoke of Manchester, Preston, and Bolton, and all those places having a representative for each place; would that be independently of the size of the town or borough, that is to say, would you only give one representative to Manchester, for instance?—The details of election would have to be considered. The plan which suggests itself to my mind, which of course might admit of development and improvement, would be to elect the board in this way: let there be about 16 representative centres; let the coal trade of the north be represented by Newcastle, and let the cotton and woollen districts be represented by Manchester, Leeds, and Rochdale; those places would not elect the representatives directly, but every corporation would have a voice, and each corporation around those centres would send one of its members to the meeting of delegates to be held by the mayor of each of those towns.

202. Would it not be more simple to delegate the matter to the municipal council at once, and let each municipal authority be responsible for each locality, the same as it is with regard to gas-meters. With regard to gas meters, they are under the inspection of the municipal councils in that way, excepting where they manufacture their own gas, are they not?—I do not think I quite understand your proposition; is it that the municipal authorities should elect their own inspectors?

203. Are you not aware, as a matter of fact, now that the inspector of gas-meters is placed under the municipal councils, where they do not manufacture gas themselves; I ask whether the arrangement would not hold good with regard to boilers?—I think that it would decidedly not hold good, for the reason which I have first given you; you would have all kinds of decisions, and most contrary decisions; the inspections would contradict each other.

204. Mr. *Cawley.*] If an Act of Parliament could by any possibility prescribe the same thing to be done in the working or manufacture of steam boilers as with regard to gas meters, then it would be a matter of small moment whether the corporation appointed inspectors or not, but they have no voice as to what meters shall be fixed under the Gas Act, have they?—Just so.

205. Mr. *Platt.*] To whom are those inspectors to be responsible after you have got your board elected?—It is to be a national board, and it is to be responsible by public opinion to the whole nation, and to the Government; they would be all, or nearly all of them, steam users, and if that steam board fails, the Government must take the thing up; but give the steam board an opportuunity of managing such a system, they would be desirous that the Government should not manage it, and they would see that it did not fail.

206. Dr. *L. Playfair.*] Your idea is very much what exists with regard to the medical education of the country; there is a central board elected by the profession, which manages the whole of the medical education of the country, and there are branch boards in different parts of the kingdom under that board, and the expenses are paid by the profession, just as you would propose that the expenses should be paid by the steam users, I suppose?—Yes; every steam user should pay.

207. Do you mean that the 40 members of the central board should be all paid for their services?—By no means; I propose that it should be an honorary board. A number of persons would be glad to serve; the engineering talent would be the highest that the country could produce, and to have a seat at that board would be a post of great honour.

208. I suppose you know that in the case of the central medical board it is paid for, and that it is extremely expensive to the country?—The labour of this board would not be at all arduous, like that of the medical board.

209. Mr. *Fielden.*] You do not intend to have sectional boards, do you?—By no means. What I propose

I propose is, that there should be one national central board, and every one else engaged in the service should be under its direction.

210. Mr. *Hermon.*] The local person is merely appointed by and under the control of the central board?—Just so.

211. Mr. *Fielden.*] I understand that your answers applied to the election of a central board, and not to any sectional board?—Just so; one national board, locally elected.

212. Mr. *Hermon.*] That is to say, locally elected by the steam users?—Yes; locally elected by the steam users.

213. Mr. *M'Clure.*] Are the expenses to be paid by the steam users?—Every steam user to pay so many shillings for each boiler at a fixed rate.

214. Colonel *Gray.*] Do you think that gentlemen of sufficient eminence would be found ready to serve on that board merely for the honour of it?—I cannot have the slightest doubt of it; it would be a most honourable position, and it would be one that would be sought for by gentlemen of eminence; knowing as I do the working of our association, I am sure the labour of that board need not be onerous at all; the board would merely have to exercise a moral control, and have the power of a veto; they would have to carry out no detailed work whatever.

215. Mr. *Hermon.*] The financial work would be mere controlling, would it not?—Yes; they could stop everything with a word.

216. Mr. *Cawley.*] They would have to lay down rules, would they not?—Yes, the fundamental rules, but the labour of carrying them out would devolve on the paid officers.

217. The success of the whole thing would be secured, you think, by making it absolutely illegal for anyone to use steam boilers, without being subject to that controlling body?—Yes, I think so; I believe that if every boiler were under such an inspection, explosions would be practically prevented; I do not doubt that such a body would carry their duties out honestly, and would be above all minor influences.

218. Sir *T. Bazley.*] Have you considered the question with regard to establishing boards of sectional influence and importance, instead of having one great centre, I mean, as there are about 100,000 boilers in existence, whether it is possible to have 20 sectional boards, representing the 5,000 boilers that would be found, say in each district, with the power of sending a gentleman from each board to the central conference, once a year, on the principle of the British Association; it does appear to me, that where the boilers are, there should also be the administrative talent and knowledge; I do not see how you could very easily communicate from a central board the detailed information that would be required from time to time in the various districts of the United Kingdom; have you considered the matter from that point of view?—Yes, I have considered it from that point of view, and I am sorry that I cannot agree with you in your view of the matter.

219. I was merely asking the question?—I have studied the subject for a very long time, and I could find no point of rest until I arrived at the central board, and since then all difficulties have vanished. I tried every other system. It would have been more satisfactory to my mind if I had been allowed, in giving my evidence, to go through the negative points of the argument in the first instance, as I could in that way have made the matter clearer. If there were separate committees, I am sure that they would all conflict one with another. For instance you cannot get flues encircled with hoops in Cornwall, in spite of all that can be said on the subject. Sir William Fairbairn has made and published researches upon this subject; but it does not matter; you cannot convince Cornish men that it is not shortness of water which causes the explosion. A Lancashire Board would contradict a Cornish Board, and *vice versâ*.

220. Mr. *Cawley.*] By giving separate boards with separate legislative powers, conflicts would arise; but the question is this, could not sub-committees act as administrative boards locally, but not with separate powers?—I was answering Sir Thomas Bazley's observations and did not understand them to mean that.

221. Sir *T. Bazley.*] That is what I meant?—Then the local board would simply be administrative boards.

222. Yes?—In fact, servants of the central board?

223. Yes, not a board perpetually sitting, but a yearly conference; I think there would be a conflict of a most beneficial kind with the sectional boards, inasmuch as in some particular sections there might be a discovery made which would be communicated with great advantage to the central board; and by an annual report of the proceedings of the sectional board with recommendations from the central board, you would arive at a degree of practical knowledge that certainly we do not possess at the present time; have you ever looked at the subject from that point of view?—Perhaps that is a matter for consideration.

224. Mr. *Cawley.*] I gather from what you state that your impression is this, you rather look to this being done by inspection; but the honourable Member for Manchester recommends the thing being done by a local board just as the Inspectors of Factories report to the central authorities?—Just so.

225. You would deal with steam users as you deal with a locality with regard to local government; you would make it imperative that certain duties shall be carried out by the users of steam, but you leave the appointment of the parties to carry that out to be elected by the steam users?—Just so.

226. Mr. *Platt.*] You make it a voluntary matter; you make it compulsory that every boiler shall be inspected, but with regard to the administrative power that is not compulsory?—That is the advantage of the system; you combine the voluntary and compulsory principles.

227. Is that your view with regard to the inspection?—The inspection is to be enforced by the Government, but not administered by the Government. The administration is to be by the steam users themselves.

228. Then you come to this question which I asked Sir William Fairbairn; who are the people who are to be responsible in case of failure or mistake, or who is to call them to order, and bring them into active operation?—I cannot see any weak point there; an honorary board of that kind I propose could be trusted with the inspection of the boilers of the country; they would be steam users themselves; the steam users desire that the

Mr. *Fletcher.*

23 June 1870.

Government should not take them into their hands, and they would know if they did not do their duty, the Government would take the matter under their own control, and that would be the rod *in terrorem* over them; I am sure they would not fail under those conditions, and the highest talent in the country, might be secured for the board.

229. Dr. *L. Playfair.*] I should like to put a case exactly similar; the case of the medical profession; every medical man must be registered and placed on the official register, and pay a fee for registration; do you propose that every steam user should be registered, and should pay a fee corresponding to the number of his boilers in order to meet the expenses?—Yes, a fee on the number of boilers.

230. Next there is a central medical council elected by the medical corporations; you propose that the board in this case should be elected by certain large districts?—Yes.

231. The central medical council is a paid council, and has complete control by Act of Parliament over the whole interests of the medical profession of the kingdom. You propose that your Central Steam Users' Association should have complete control over all the boilers of the kingdom?—Yes, decidedly.

232. In the case of the medical council they have local medical associations, who are the administrators in that locality; you propose that there should be local associations to administer the Central Steam Users' Association, do you not?—No, not local associations; I propose that there should be local officers or staffs of inspectors.

233. Not boards?—No; there would be but one board.

234. There is the difference between the medical scheme and yours?—Yes, there we branch off.

235. *Chairman.*] There is only one central board proposed by you?—Yes.

236. And different district administrations only carrying out the orders of the central board?—Just so.

237. Mr. *Cawley.*] It would be a compulsory board, would it not?—Yes, it would.

238. And that board, I undertand you to say, should have the complete confidence of the parties who use steam, which would be the body who would elect the board?—Yes, the board should have the fullest confidence of the parties who use steam.

239. Mr. *Platt.*] Do you contemplate that this central board should be incorporated by Act of Parliament, or that it shall be simply a voluntary association?—I do not know whether I sufficiently understand what would spring out of being incorporated.

240. You cannot be incorporated without being a corporate body; you would have to obtain Government powers for that purpose, and I presume through an Act of Parliament?—Just so.

241. Sir *T. Bazley.*] My inquiry rather is, whether there might not be instituted local corporations of boiler users who should correspond with the central committee originating in their own bodies, that there should be about 10 individuals each from, say 20 districts in the country, making 200 people in all, and that there should be a central body that should promulgate yearly the discoveries made by those individuals, and should also make recommendations annually with regard to the best manner of preventing accidents?—I understand the idea.

242. Mr. *Armitstead.*] Do you propose that all those who submit boilers to an examination, shall be free from any damage that may arise from explosion to the parties injured, in case it is proved in court that the examination has not been sufficient?—First of all, I will answer that question by stating that I have the fullest confidence in a complete examination; I am justified in saying from our experience that there would be no cases of damage, but still I am willing to accept the possibility of failure. I think your position ought to be met, but I must ask you to grant my position of full confidence in the inspection; but looking at the ulterior possibility, I think it would be right that every boiler inspected and approved, should be guaranteed to a very handsome amount, so that if by any possibility there is a failure, there should be that amount to cover any damage that is done, just as we do at present; we do not wish to give an irresponsible report, and we endorse it with 300 *l.*, not that we expect to have to pay compensation, because we lay out the money in inspection instead.

243. In case the 300 *l.* should be insufficient, do you mean that the parties should pay the damages that the court might give?—In that case the amount might be enlarged.

244. You do not mean absolutely to exclude damages in the case of accidents, do you, if the parties have submitted their boilers to an examination?—I should say decidedly cover them. If the board undertook the inspection of a boiler and the boiler failed through their default, then I should like to see the board pay damages out of the steam users fund.

245. Mr. *Cawley.*] Of course that would be limited to accidents occurring from defects in boilers in which the defects could have been detected, would it not?—Yes; suppose such a rotten plate as that which is before the honourable Chairman, if we could imagine that that could be overlooked by a competent inspector, then the board should pay all damages; but I simply put it as a hypothetical case, I do not believe it possible.

246. Mr. *Armitstead.*] I should like to see penalties attached in case of neglect; would not that be a good thing?—Yes.

247. *Chairman.*] You assume that the inspection which you recommend should be so good and so definite as to prevent the possibility of an explosion; but in case it should occur, I think I understand you to say that parties having complied with all the necessary conditions should be exonerated?—Yes.

248. If the payment made periodically is not sufficient, you must alter your rates; but you assume that the sum paid, say, 25 *s.* or 30 *s.* a boiler, is sufficient to meet all contingencies?—Yes.

249. Mr. *Armitstead.*] My question refers to damage done to any parties whatever; do you think your association should be liable for that?—That is a question of general justice; it hardly affects the question. But my view would be to be liberal in the extreme. If a calamity like an explosion should happen, let everybody who has been injured be compensated; but it is almost a hypothetical question, since competent inspection prevents explosions.

250. Mr. *Fielden.*] But we must consider that possibility, must we not?—Yes.

251. Mr. *Cawley.*] You feel some difficulty as to what the word "incorporated" means, do you not?—I am not a lawyer.

252. What I understand you to mean is this: that an Act of Parliament should be passed, making it compulsory on the parties to elect this board and giving the board powers?—Yes, clearly.

253. Mr. *Birley.*] I understand that you propose that this board should be something like a board of health?—Somewhat.

254. And the qualification for an elector should be the possession of a steam boiler, being registered and paying for so many boilers?—Yes. The board being elected through the medium of the town councils, which might not represent every steam user individually, but be sufficiently comprehensive to represent the body of steam users generally.

255. But who would be the electors of the board?—The steam users.

256. The steam users are to have votes?—Yes.

257. Would you give each man one vote, whether he had one boiler or 50; would the constituency be simply this; that every user of a steam boiler who is registered would be an elector?—The general idea is that every steam user should be an elector, through the medium of the town councils.

Monday, 27th June 1870.

MEMBERS PRESENT:

Mr. Armitstead.
Sir Thomas Bazley.
Mr. Cawley.
Mr. Joshua Fielden.
Colonel Gray.
Mr. Hermon.
Mr. Hick.
Mr. Staveley Hill.
Mr. Laird.
Mr. Pim.
Mr. Platt.
Dr. Lyon Playfair.
Mr. Tipping.

JOHN HICK, Esq., in the Chair.

Mr. Lavington E. Fletcher, re-called; and further Examined.

Mr. *Fletcher*. 27 June 1870.

258. *Chairman.*] The last question asked you at the previous sitting of the Committee was with regard to the number of votes that you would propose to give each man; whether it should depend on the number of boilers, or that each individual should have a vote; have you anything to add to the Committee upon that subject?—I think I stated at the time that the mode of election then recommended was not essential to the plan, but that any plan that would render the board a faithful representation of the views of steam users would meet the object in view; since that I have taken the advice of an eminent barrister upon the subject, who has somewhat modified the mode of election. I have the form of it, as he proposes it should be, and I will give it to the Committee in a very few words.

259. I suppose the Committee are to understand that you hand that in as your own views?—Substantially so, though I would wish decidedly to point out that I should have preferred to have made no reference whatever to the Board of Trade, but I was assured by legal authority that the reference so made was absolutely essential. Whether it be so or not I will leave to the wisdom of this Committee to decide; but my own view of the matter is, that a central board, occupying so high and so public a position as that proposed, might be safely left to discharge its duties, without any assistance whatever from the Board of Trade, and that it would be more congenial to steam users were this the case. The steam board would have the eyes of the country upon it, and were it to fail in the discharge of its duty it would, of course, be blotted out. Steam users and the members of the board themselves would have too much at stake to admit of a failure. It appears to me, therefore, that the element of the Board of Trade might be entirely dispensed with, and I shall be glad if this Committee, in their wisdom, should confirm this view. What I want to secure is a National Board, elected by the steam users themselves, in any way that shall fairly represent them. Before reading the paper I may say that the basis of it is simply this: that 50 explosions occur every year, by which 75 lives are lost. This goes on from year to year, and if nothing is done to stop it we shall have a repetition by this time next year, and the remedy is simply a competent periodical inspection. If the steam users refuse that remedy, the question is, how shall it best be applied so as not to cramp steam users, or harass progress, and yet to prevent explosions. "The proposed measure has regard only to the public safety; it has no commercial or trading element in it. The object is to protect the public against explosions of steam boilers. Such explosions can be reduced to a minimum, if not altogether avoided, by an organised system of periodical inspection. All boilers should be inspected and certified by a public authority, duly constituted for the purpose, with no other object in view than that of efficiently performing a public duty; it should therefore be enacted by Parliament that from a certain period no boiler should be used which is not certified. The authority for carrying out the inspection of boilers and granting certificates should be a board constituted by Act of Parliament, to be called the Steam Boiler Commissioners, or by any other appropriate title. The first members would be nominated by the Act; the board to be periodically recruited by new election, a proportion of the board going out yearly, biennially, triennially, or at other stated periods, as may be considered advisable. The principle of popular election should be adopted as the basis for electing members of the board; the electors would be the proprietors of certified boilers. Candidates for vacancies to the board should be nominated by the electors, and when nominated the Board of Trade should have a veto on the candidature. The election of candidates, approved by the Board of Trade, would be managed through the medium of voting papers transmitted through the General Post Office. The Board of Trade should have the power of introducing *ex officio* members to the board. The proceedings of the board to be conducted according to regulations approved by the Board of Trade, in a manner analogous to the course now adopted for many other public boards. The board would have the power to appoint all appropriate officers. The whole cost of administration to be defrayed out of inspection and certificate fees, paid by boiler proprietors. These fees to be fixed by the board, subject to approval by the Board of Trade. The aggregate of these fees

fees would form a 'fee fund,' from which all expenses would be defrayed; the fees to be, from time to time, fixed according to the exigencies of expenditure. If at any time the fee fund is in excess of authorised expenditure, the surplus to be appropriated under the direction of the Board of Trade, subject to the sanction of Parliament." That just gives the leading principles of the board as proposed; of course there are many points of detail arising upon that scheme.

260. You say "the election of candidates, approved by the Board of Trade, would be managed through the medium of voting papers transmitted through the General Post Office"; do you propose that every steam user should have a vote?—Yes, I propose that every steam user should have a vote for every boiler, so that every boiler would be represented; a man with one boiler would have one vote and a man with ten boilers would have ten votes.

261. Then a man with 50 boilers would have 50 votes?—Yes; every boiler would carry a vote.

262. What number of steam users do you assume there are in the country?—My answer must be taken as only an assumption; but I assume that there are 40,000 or 50,000, because I find, as a rule, that we have two or three boilers to every member, and if you take 100,000, which is a very moderate calculation for the number of boilers in the whole country, you would bring it to about 40,000 or 50,000; but it is, after all, an assumption. We average three to each man; the person who owns a colliery may have 100 boilers, and may have a dozen or 20 collieries; we have three boilers to a set of works, but one man may have 20 works.

263. Mr. *Cawley*.] Your estimate is that 100,000 boilers would be in 50,000 hands?—I think 50,000 is rather high.

264. Mr. *Hermon*.] You state that every steam user should have a vote per boiler?—Yes.

265. And that the committee of management should be chosen by the steam users?—Yes.

266. You also spoke of having a representative of that chosen body in every district or certain districts, did you not?—No, I think not.

267. At all events, you spoke of a local board, so to speak, in each district?—No; there was no proposition of mine for a local board; my idea is a central board.

268. A central board, with the whole control of England and Wales?—Yes, a central board, with the whole control of England and Wales; I am only proposing that for England and Wales at present, leaving Scotland and Ireland out, without any decision whatever about them for the present. My idea is a central board of control, with local representation.

269. In the shape of inspection?—A representation with regard to votes; each steam user has a voice in it.

270. But after the election that representation at the local board would be merely the inspectors, I suppose?—Yes, the officers; they would not be a board; there would be centres of operation, as many as might be necessary, so that the remedy might always be at the doors of the steam users.

271. Colonel *Gray*.] How many members do you contemplate the board being composed of?—I would rather leave that open as a matter of detail, because that can be taken afterwards. I have not considered whether it should be 20 or 40, or what it should be; but I should say 20 would be a good number.

272. You stated in your former evidence it was not proposed that they should be paid?—No, the post should be quite honorary; there should be no inducement to enter on the board but the desire to render the public a service.

273. It would be made compulsory on all steam users to register their boilers, I suppose?—Decidedly so; that is the basis of my scheme.

274. And they would be under a penalty, of course, for neglecting to do so?—Yes.

275. Of course it would be a matter of detail hereafter where the board should meet?—Yes; but it would be at the most convenient centre.

276. Mr. *Cawley*.] In the proposal you have now given us you rather modify your previous idea to this extent, that in the first instance the board would be named by Act of Parliament, and subsequently only those who owned boilers, which had been certified as safe, would have a voice in the matter?—The general principle is the same; the mode of election is modified, subject to the disclaimer I have given. Steam users were before to have a voice, and they have a voice now.

277. But I understood you on Monday to say that the board should be elected by all the steam users?—That is my idea.

278. That word "all," would include the parties using boilers, whether their boilers were sound or unsound; but now the proposition, as I understand you, is, that the first board shall be named by Act of Parliament, and that then the subsequent elections should be limited to those whose boilers are certified?—The term "certified boilers" is used, but I do not see much difference between the certified boilers and the others, because all would have to be certified.

279. No, all would not be certified, because the boilers which were found unfit for use would be rejected, would they not?—They would not exist long.

280. They would have no vote?—Just so.

281. Do you find a greater reluctance on the part of those who use inferior boilers, or who work at a very excessive pressure, to join your association, as compared with those who are more anxious to maintain good boilers?—Those who work the lower class of boilers, of course are the least likely to enter our association.

282. And, as a matter of fact, do not enter, I suppose?—As a matter of fact they do not enter, and if the boiler is entered and a fault is found, the boiler is withdrawn.

283. That is to say, withdrawn from your association?—Withdrawn from our association; they often withdraw if a faithful report is sent in.

284. You mean that if they find the boilers do not meet your approbation, they withdraw from your association?—In many cases if we point out defects which might be remedied, they withdraw the boiler at once.

285. In other words, they withdraw from the association?—Yes, I mean that they withdraw from us, not that they put the boiler on one side.

286. It seems to follow from that, that the parties who really make use of the association are simply those who are desirous to do everything that is necessary to prevent explosions, and that the indifferent people do not take up the question?—I should think that we have, as a rule, the more liberal-minded class of steam users. A liberal-minded steam user may have a bad

Mr. *Fletcher.*
27 June 1870.

boiler, but when it is pointed out to him he meets the case frankly; and such cases we have. We have no difficulty with a man who meets us frankly.

287. This paper you read this morning is a very great change in your system, because I think this proposition becomes, to a large extent, Government inspection, as you give power to the Board of Trade of introducing *ex officio* members, and also rejecting any candidate; is not that so, and would not the effect of that proposition be, to a great extent, to take the thing very much out of the hands of the steam users?—It was thought that it should be somewhat under Government control; but I should prefer to omit that part of the proposal.

288. But it is not quite the open popular scheme which I understood you first to propose? —The main idea is to have a steam users' board. There are many questions about it that will require consideration.

289. But I want your views clearly; your original evidence was that you had confidence in the steam users as a body, electing competent parties who really, as your association does, would desire to carry the Act of Parliament out to its fullest extent; but this new proposition seems to throw doubt upon that, because it introduces an important controlling element; do you think that if left to the parties using steam, it would be sufficient to secure an efficient inspection, or do you think that that is so uncertain that it would be absolutely necessary to introduce this controlling power?—No, I do not think it would be necessary to introduce it with regard to the conduct of the periodical inspection; but my legal authority thought that the general public would have more confidence in the board if there were that latent power, which would only be called into play when it was rendered necessary. It was rather as a provision than otherwise that that was put.

290. *Chairman.*] It was merely as a protection to the public that it was proposed to call in those *ex officio* members?—Yes, a latent protection, not to be called into play unless it was absolutely necessary.

291. Mr. *Laird.*] Do you think that you would get a good class of men to be candidates if, after being elected by the steam users, they were subject to be rejected by the Board of Trade?—It is after being nominated that that would apply.

292. Would it not be as well under that proposal to give power to the Board of Trade to appoint the whole board, since they would have virtually the power of electing the board?—It is only for the Board of Trade to strike out a man that might not come up to the standard.

293. You must put some faith in the steam users in selecting the men, and after you have selected them some of them may be struck off by the Board of Trade if they please; is not that so? —It was thought, I suppose, that there might be a great many more nominated than would be required, and that the Board of Trade would regulate that.

294. Then, in that case, why not let the Board of Trade do the whole of the work, since the board would virtually be appointed by the Board of Trade, under the scheme as it stands. Do you know of any board constituted in this way?—I am told that several boards are constituted very much in that way.

295. Do you know anything of the constitution of the Mersey Dock and Harbour Board?—I cannot say that I do very fully.

296. They are a board publicly elected by the ratepayers, and the Government appoint a certain number; but the Government have no veto on those elected by the ratepayers. Now if you left out this veto, and allowed the steam user to appoint a certain number, and the Board of Trade to appoint a certain number, would that be fairer than your scheme?—That is another way of doing it, if the Board of Trade were admitted at all.

297. But the proposition is that the Board of Trade should have a veto on those who are nominated, and also to appoint a certain number of members, is it not?—Not necessarily to appoint any others, but as a reserve, if they found it necessary, I suppose.

298. Mr. *Platt.*] How often do you consider inspection necessary?—There should be, at least, one annual internal thorough examination; which we should term an "entire."

299. Of every boiler?—Yes, of every boiler.

300. And all those boilers that were not certified would be condemned; that is to say, they would not be used?—It would depend on what was the matter with them; it might be but one plate out of order.

301. But you say that every boiler must be certified?—Yes, before being used.

302. If it is not certified, then I presume you would say that the boiler ought not to be used? —Yes, for the time being; it would not necessarily be condemned *in toto;* it might be only for a week, while the boiler was repaired.

303. Of course you might find that by the substitution of a plate that boiler would be perfectly sound, and then, when the bad plate was taken out and a new one put in, you would certify that the boiler was fit for use?—Yes, quite so.

304. But if that was not the case you would have it condemned?—It would be suspended.

305. That is to say, it would not be used; you would not have a boiler in use until it had been certified?—Quite so.

306. Now then about this board which you propose; supposing the central board should sit in London, what becomes of your local element? —You would have as many inspecting centres all over the country as you found necessary.

307. But you spoke of one central board, did you not?—Yes, with centres of inspection.

308. Would you have the board moving about the country?—No; there would be offices, 30 or 40 centres of inspection, all over the country, where you would have a staff of officers very similar to our Manchester staff.

309. That would be 30 or 40 boards, would it not?—There are no local boards; the inspectors are paid officers; servants.

310. Servants of whom? — Of the central board.

311. That is to say of the central board that sits in London?—Yes.

312. Do you think that the parties in those 30 or 40 centres would simply carry out the instructions which they might receive from the central board in London without exercising any judgment of their own?—Most decidedly; the whole thing could be laid before the central board in London, and they could have the most absolute control, and in a minute put their finger on any point

point to which they objected, or on which they wanted information.

313. Do you think that you could get gentlemen to sit on those boards without any authority except what was delegated to them?—There is only one board.

314. But what are the others?—The others are servants; inspectors, secretaries, and paid officers.

315. Then my question is more pertinent still; where is your local authority for the purpose of supervision?—All the authority is vested in the central board.

316. That is to say when the central board is once elected, then the duty of the steam users throughout the country is ended for the time being, they having delegated all powers to the central board?—Yes, for the time being; but they would always have the ear of the members, and could make their complaints known if they had any.

317. It appears to me that you get rid of all local authority and supervision, according to your proposal, do you not?—I hope I have made it quite plain.

318. Mr. *Armitstead*.] You mean that the board should confine its operations to England and Wales?—Yes.

319. What is your reason for excluding Scotland and Ireland?—It is merely as a commencement; I thought they might prefer to have their own board, but they might possibly be included.

320. I suppose the statistics which you gave the Committee with regard to the number of explosions, and so on, referred to the United Kingdom?—Quite so.

321. Mr. *Tipping*.] Supposing a man had only one boiler, which you refused to certify, and he was at once to order a new one, would you entirely stop his works during the interval of time before he could put the new one in; it would be a serious matter to a man to have everything stopped, from the moment a boiler was not certified, would it not?—It must depend on the condition of the boiler; if the boiler was absolutely working in peril of life it would be stopped.

322. Of course; but you would not lay down an absolute rule upon that point, that an uncertified boiler could not be allowed to work, would you?—No, any boiler that could work would be certified; it would only be stopped if it was in imminent peril.

323. Of course there is a minimum and maximum danger always?—Yes; those cases would have to be met with great consideration and indulgence; we have many of those cases, and we lay down the law so as to meet the members as far as possible.

324. I suppose you consider each member of the board the representative of local constituents, especially with regard to getting over the difficulty of local feeling which has been suggested?—Yes.

325. The members of the board would be like Members of Parliament in that respect?—Yes, as each of them would be open to any complaints of steam users in the neighbourhood, every steam user would feel that he was protected.

326. Mr. *Pim*.] Do you state the number that you propose to have on this central board?—I would rather leave that open as a matter of detail.

327. But you propose that a certain number should be elected, and a certain number appointed by the Board of Trade?—According to the paper which I read, the Board of Trade would exercise a veto, but that is a point for further consideration.

328. I thought you recommended also, that the Board of Trade should appoint certain members in addition to the elected members?—The paper suggests that there should be a latent power of that kind.

329. In this central board would rest the appointment of all officers, then?—Yes.

330. I need hardly ask you this, unless the inspectors were thoroughly suited to their work, they would be of very little value?—Just so.

331. Do you consider that you would be more likely to get a good appointment of inspectors if they were appointed by a central authority sitting in London, than if the country were divided into different districts; say that there was a board for the Lancashire district, and boards for other districts, or say that England was divided into six districts, and that there was a local board in what I may call the Lancashire district; do you think that the probabilities would be more favourable to the good appointment of inspectors by a local board appointing them for those districts in which they were very intimately interested, than by a scheme in which they should be appointed by a board sitting in London?—I think the central board would be able to accomplish that as well as local boards; of course, the board would not take upon themselves the election of all the paid officers, but those whom they held responsible for the execution of the work.

332. Accidents occur very generally through the want of knowledge of the boiler owner, or the persons in charge of them; have you had before you the suggestion that the boiler minder, or some person connected with the boiler, should undergo an examination and prove his competency, in the same manner as the mate of a ship is examined before he can hold that office?—It is rather a mistaken idea to suppose that explosions arise so much from ignorance or neglect on the part of the parties who attend to the boilers.

333. I do not mean necessarily on the part of the boiler minder, but on the part of the persons connected with the boiler, including the owner?—Is the question whether the owner should undergo an examination?

334. No; the suggestion has been made whether any person connected with the boiler should undergo an examination; that is to say, that there should be proof that there was some person in the factory that understood something about it?—Explosions do not arise from that cause as a rule; there is a great mistake on that head. A well-appointed boiler can hardly be injured by any fault of the men.

335. But do you think that any owner who understands his business would have in his place anything except a well-appointed boiler; and if he has a badly-appointed boiler, is it not a proof that he does not thoroughly understand the danger?—It shows that the owner does not understand the danger, and this system of inspection would at once meet that, and prevent any difficulty.

336. How often do you expect the central board to meet; do you expect them to meet frequently, or only once a year?—I think quarterly meetings

Mr. *Fletcher.* 27 June 1870.

meetings would be sufficient for them to grasp everything.

337. There would be no local authority whatever except the local inspectors, would there?—There would be nothing to clash with the authority of the central board, which would be supreme.

338. All the inspectors would be servants of the central board?—Yes.

339. Do you not think that considerable objection would arise if you were to leave Scotland and Ireland out of any such arrangement?—I only propose to leave them out just for the present in considering this matter, and afterwards it might be shown whether it were more desirable to make it one large system or let Scotland have one centre in Glasgow, and Ireland one centre in Belfast. I thought it might be more convenient, and that it might be more easy in the working of it.

340. I think you made a statement about there being 100,000 boilers in the kingdom?—Yes. I say that that is a moderate estimate.

341. You said, on the last day of your examination, something about some very small boilers; would you have any limit with regard to size?—There need be no limit as long as you can get at them to examine them, but when they are so small that a man cannot get inside the flue, and so small that you cannot get round them, they can only be worked on at a risk.

342. Might the boilers you spoke of have been examined?—Yes; they might have been made all right had they been looked after.

343. But one or two of those small boilers exploded; what was the size of the smallest of them; what was its nominal horse-power?—The boiler (*producing a photograph*), by which one person was killed and another injured, was a small boiler with two flues in it, fired underneath; the length was eight feet, the diameter three feet two inches and a half, and the pressure 45 lbs.

344. Was there not another that you spoke of as being so small that you could almost carry it?—Here is another (*producing another photograph*). The height of that is five feet four inches; the diameter two feet four and a-half inches; the plates are a quarter of an inch thick, and the pressure of steam 75 lbs. on the square inch.

345. Was there not one which you said about half your own height?—It was a little higher than that.

346. You think that all those boilers ought to have been inspected?—Most decidedly.

347. Sir *T. Bazley.*] You have stated that you have about 2,000 boilers in your association?—Yes.

348. Now, from my own knowledge, I believe your association to have contributed very essentially to the public safety, and in every respect I believe it to be quite efficient; probably you concur in that opinion?—Yes, quite.

349. Now, with efficient assistance, could you extend the operations of the association to 5,000 boilers?—Undoubtedly.

350. The association, as now existing, has been spontaneously called into existence by the residents in your immediate neighbourhood, has it not?—Yes.

351. As you acknowledge the efficiency of the association, (in which I have the fullest confidonce,) why cannot that principle be extended all over the country; you have been selected with great discrimination by your own neighbourhood, and I do not know that a better appointment could be made; why should you change the system from local to central: the central board acting at a distance of 300 or 400 miles, perhaps, from the scene of action; I recur again to the great convenience that would accrue from a series of local boards originating very much as the Manchester Board originated, and acting on the same principle with a central board to report annually, and promulgate sound opinions on the construction and use of boilers?—I am afraid of the irresponsibility of several boards of that kind, seeing that diversities of opinion occur with regard to boilers; in Cornwall, they will not accept the simple truth that flues collapse from weakness; and you would have the Manchester Association and the Cornwall Association flatly contradicting each other.

352. If an Act of Parliament was simply passed, requiring all boiler users to possess a certificate of safety, you would compel associations to exist in every part of the country where boilers are being used; at the present moment, there are many people who will not permit a scrutiny of their boilers, and will not enter into any association; I, myself, rather believe in the necessity of having an Act of Parliament to compel every user of boilers to possess a certificate of the safety of the boiler; do you not think that more efficiency would attach to local boards with a reference to a central board for the diffusion of useful knowledge for steam users than to one central board?—I am rather afraid of the division of authority between all those boards, and it appeared to me that a national system was the safer system, the board to be composed of first-class talent from the whole country; and their decisions to be diffused over the whole of the country. You would get the pick of the talent on this one board, and this talent would disseminate itself over the whole country. In the other case, you might have a very talented board at one part of the country which would be contradicted by a board at another part.

353. At all events, your association is an instance of what can be done locally?—Yes, I think so.

354. Dr. *L. Playfair.*] You propose that the central board should be the executive board, and have charge of the whole affair?—Yes.

355. And that the central board should meet only four times a year?—It should meet as often as required, but I think four meetings a year would be sufficient to allow the board to grasp the whole matter.

356. In what manner would it be executive; would not that practically make the secretary the executive, and the board a mere name?—All the officers would do their work just as is now done under the Manchester Steam Users' Association; but the board would have a thorough control, and protect the steam users against injustice; nothing would be done that would not pass before them.

357. Then it would be a court of appeal rather than an immediate executive, would it not?—They would not have to do the work, but they would be absolute masters.

358. I can understand a court of appeal meeting four times a year, but I do not understand, if there are no responsible members of that board always present, how they are to be an executive; will you explain that?—Our committee meet only periodically, when everything affecting the working

ing of the association is laid before them, and they have full control.

359. How often do they meet?—They meet monthly; everything is laid before them then, and they have the fullest control.

360. You propose the board to be honorary and unpaid?—Yes, quite honorary and unpaid.

361. Do you think that people would come up from all parts of the kingdom to attend those quarterly meetings if they were not paid?—I think so; the honour of a seat on such a board as that would be considerable; it would be important to save them as much labour as possible, and not to throw details upon them.

362. Mr. *Hermon.*] Did you state just now it might be necessary, where a boiler was condemned, to stop the works if it was in great danger; may I ask, is it not your practical experience that it is usual in large works to have a spare boiler to allow of cleaning and so on?—Yes, quite so; I do not know that I made use of that expression precisely, because it has never occurred with our association yet.

363. I may take it that from your experience, you find there is in all large works a spare boiler?—Yes; but where there is only a single boiler, it is sometimes a matter of great difficulty.

364. Mr. *S. Hill.*] Do I understand you to propose, that for the purpose of electing the board, you would have an election throughout the country?—Yes, a general election throughout the country; every boiler carrying a vote.

365. Dr. *L. Playfair.*] What is the average number of boilers in work; how many steam users would that represent?—I said 40,000 or 50,000, but I think I rather over-stated it.

366. Have you any idea of the expense of merely the postage to send out electoral papers to 40,000 or 50,000 steam users?—It would only be a penny per steam user, not a penny per boiler.

367. *Chairman.*] A question was put to you with regard to the smallness of boilers; can you define a small boiler; what would you say should be the limit of size; to what boiler would you confine the inspection; because it seems to me an important question as to what we should call a boiler for the purpose of inspection; we can tell very much where you would begin, but where would you end?—That is not an easy question to determine; but you might begin with the principle that the inspection should include all boilers used for other than household purposes; you might draw the line between trade and domestic purposes.

368. It appears to me, from your answers with regard to small boilers, that those small boilers were the most dangerous, from the difficulty of examining them, or of getting into the flues?—Yes.

369. Mr. *Pim.*] A small boiler would usually be a high pressure boiler, would it not?—Yes; but there is no absolute rule.

370. *Chairman.*] There was another question put to you by the honourable Member for Manchester with regard to whether you find any difficulty as to the distance at which you inspect; I understood you to say that you inspect all over the country?—We inspect now from Manchester all over the country; but if we had a number of inspecting centres, we should inspect with even greater ease than now. The head centre would not be further off from the scene of operation than it is at present.

371. You think that you could get as effectual an inspection under the management of the central board as you do now?—Yes, and more so; because we send inspectors all the way to Cork, Norwich, and Bantry Bay; whereas, if we had inspecting centres all over the country, they would be within a few miles of their work.

372. Have you formed an opinion with regard to the number of centres you would have, and where you would have them?—That could not be determined until the number of boilers is known.

373. In the case of an explosion, you do not propose to compensate; that would be outside your limits, would it not?—My measure, as I stated, has only regard to the public safety; it has no commercial or trading element in it, and it does not include any payment or compensation in case of an explosion. The idea is, that competent inspection is sufficient to prevent explosion. Granting, however, for argument's sake, that there might yet be one or two exceptional cases, it might be left to outside agency, such as insurance companies, to provide compensation for such; or, should the Committee prefer it, there would be no difficulty, perhaps, in the board having the power of appropriating a portion of the "Fee Fund" for compensation in those peculiar cases; but that is not the fundamental principle at all; the principle is prevention, and not compensation.

374. Mr. *Platt.*] In speaking of those centres throughout the country, of whom do you say those centres are to be composed?—There would be a chief inspector and secretary, and as many sub-inspectors as were required.

375. All being servants of the central board?—All being servants of the central board.

376. The central board is the only master, and everybody else are to be servants?—Yes.

377. Colonel *Gray.*] With regard to the insurance companies that we have heard of, it was stated by you that there was a steam users' association which had under inspection about 2,000 boilers, and insurance companies which had under inspection 10,000 boilers?—Yes.

378. Was that one company or several companies?—That is one company. There are two others that have not so large a number, who have about the same as we have, speaking in round numbers.

379. Are those three companies in Manchester?—The head offices of two of the companies are in Manchester, another is at Stourbridge, with a branch in the north at Darlington.

380. Mr. *Tipping.*] You propose giving up the present local system for a central system, the reason being, I suppose, this, that you consider that the voluntary system at present existing suits the local plan, but that anything like legal compulsory power requires centralisation and uniformity of action?—Quite so; our system now is purely voluntary. The chairman and all the members of the executive committee give their names, and time, and labour gratuitously. When you compel people to have their boilers inspected, it seems to me that you alter the whole basis of it; and were you to have a number of different centres, you would have various sentences passed, and one would contradict the other. If you hand it over to insurance companies a very serious issue would come of it. There is a great misunderstanding on this point;

Mr. *Fletcher.*

27 June 1870.

it is supposed that insurance companies have a direct interest in inspecting boilers and preventing explosions, because they pay compensation when an explosion occurs; that is a total fallacy. The insurance principle does not tend to the prevention, but directly to the promotion, of steam boiler explosions. The insurance principle has been before our board a great many times, and we should have adopted it years ago if it had run parallel with our principle, which is that of prevention. Of course a joint stock company has for its object profit and not philanthropy; it has shareholders and must pay them a dividend. Of course it will not spend a sovereign to gain a shilling, as that would not be business. Now there are 50 explosions in the country every year, and to get at the chance of an explosion, and the risk of insurance, we only want the total number of boilers in the country. The total may be taken at 100,000. Now 50 explosions on 100,000 boilers is 1 in 2,000; it is 1 boiler in 2,000 that explodes; that is to say, the risk is 1 in 2,000, therefore the risk of insurance is 1 *s.* per cent. You can insure a boiler for 100 *l.*, which is a very common amount, for 1 *s.* Now our experience shows that to make a competent internal examination, on which the safety of a boiler depends, will cost 1 *l.*; that is to say, to inspect it will cost 1 *l.*, and to insure it will cost 1 *s.*; to leave the boiler alone and pay compensation will cost 1 *s.* a boiler, and to inspect it and prevent explosion will cost 1 *l.* Suppose a company has 10,000 boilers, and five of them, if left alone, will explode every year. If the company simply insured them for 100 *l.* a piece, it would have to pay compensation to the extent of 500 *l.*; if it wants to prevent explosions it will have to make an examination of each of the 10,000 boilers, that would be 10,000 *l.*; it would cost 10,000 *l.* to prevent explosions and save life, and 500 *l.* to accept explosions and to pay compensation with loss of life.

381. Mr. *Armitstead.*] You now take for granted that all the boilers in the kingdom are insured, do you not?—I am assuming that if you take 10,000 you have a fair sample.

382. Mr. *Cawley.*] That is to say, for the purpose of ascertaining the rate of insurance, you take the proportion to the total number, just as you might take the proportion of deaths to the total number of lives?—Yes; that is to say the less they do the more the profit; the more they do the less the profit; inspection and insurance are directly at war.

383. Your broad proposition is this, that the cost of prevention by inspection is greater than the loss by explosions, setting aside the loss of human life?—Yes, to the insurance company.

384. If people insure and the company that insures them allows them to take their course, the company is in a pecuniary point of view better off than if it exercises inspection and prevents explosions?—Yes, and then there is the poor stoker.

385. Mr. *Pim.*] As a matter of fact, do not insurance companies inspect also?—One insurance company has about 10,000 boilers enrolled with it, in round numbers, and last year it made about 5,000 examinations. I confine myself now to internal and flue examinations; the company left 5,000 boilers unexamined in this way, for which they took the money.

386. As a matter of fact, since those insurance companies started, have you had any explosions by which life has been lost with any boiler which was insured?—We are not an insurance company ourselves.

387. But you take an account of all explosions; when there have been explosions, have any of them been boilers insured in those insurance companies?—Most decidedly; this is a photograph (*producing the same*) of an explosion that took place at Loughborough, which was under an insurance company; that boiler had never been examined in the flues; it had been with them for years. I can produce a photograph of another boiler in which the plates had gone as thin as a sheet of paper (*producing a photograph*). This boiler had been under an insurance company for years, and they had never inspected it in the external flues. A question arose with regard to the payment on the boiler, and the boiler was withdrawn just before the explosion. They had insured it, however, when it was in a highly dangerous state; when it burst, it blew the whole house down.

388. Mr. *Platt.*] Do you know of any instance where those insurance companies have given compensation for loss of life?—I have never heard of any case of that kind; persons have appealed to me to know what they should do; at Leeds a young man said he had lost his father, and came to me to ask my advice.

389. I suppose you do not know that there is anything in the rules of any insurance company that provides for compensation for loss of life?—Not on the payment for the boiler; there is another schedule for further payment.

390. For what?—For lives; but another insurance has to be effected.

391. Does that form part of the insurance?—No, not necessarily; a master may insure his boiler without insuring the stokers' lives.

392. That is another part of the insurance?—Yes; they must pay again for it.

393. Colonel *Gray.*] The 1 *s.* per cent. does not include the stoker, does it?—No; the stoker is ignored altogether.

394. Mr. *S. Hill.*] In the cost of 1 *l.* for inspection, do you include the cost of inspectors, and the board, and everything?—That is the annual flue examination, including the externals; the whole would be rather more.

395. Would 100,000 *l.* on 100,000 boilers cover the cost of inspection, and all the machinery for inspection?—There need not be, as a rule, more than one annual "entire" examination, but then there should be an external examination. I doubt if 1 *l.* would quite do it.

396. What you put as the cost of the board of inspection, and the whole machinery that you want?—It would be very much about what our present charge is, that is to say, a guinea and a half.

397. So that if there are 100,000 boilers, the cost of the board and all the machinery would be 157,500 *l.* a year?—Yes.

398. *Chairman.*] You would propose to spend the whole of that sum in inspection; you do not divide anything?—No; there are no profits to be divided, for the whole is to be expended in rendering public service.

399. And preventing this shocking loss of life?—Yes.

400. Sir *T. Bazley.*] What dividends may the insurance companies pay?—They now pay regularly 10 per cent.; the shares were up to 300 *l.*, 400 *l.*, and 500 *l.* premium.

401. Mr

401. Mr. *Pim.*] Suppose a boiler owner is, under the new law, forced to submit to inspection, and suppose the inspector reports that a boiler is not safe, and suppose he refuses to attend to the intimation of the inspector, and says he is quite satisfied that the boiler is safe, what would you consider ought to be the legal condition of things; would you propose to stop the works, or what would be the position of things in such a case?—In the first place, such an order as that would never be issued on the *ipse dixit* of any inspector; the board themselves would determine what would be best for all steam users; that would be carefully investigated first of all, and then, if those rules were transgressed there would be power to stop a boiler; but, if the examination were merely overrun, a man might possibly be fined; but in extreme cases, where life was in danger, it might be necessary to stop the boilers; say, when the plates were gone very thin.

402. Mr. *Laird.*] The plan that you give in this morning does not tally with what you stated before; are the Committee to consider this as your final scheme?—The fundamental principle is the same, namely, that it should be carried out by the Steam Users' Board; there is a difference in the system of election, and any plan that would be fair would be acceptable.

403. This is, after careful consideration, your opinion as to how the board should be elected, namely, that one-half should be elected subject to the veto of the Board of Trade on nomination, and that they should have the power to appoint members in addition?—That is not expressed in the paper I read, I think.

404. "Candidates for vacancies to the board should be nominated by the electors, and when nominated the Board of Trade should have a veto on the candidature"?—Just so; that was the suggestion, but the question of the introduction of the Board of Trade is a matter for further consideration.

405. Then "The Board of Trade should have power of introducing *ex officio* members to the board" in addition to that?—That is to be a latent power; they were not to be compelled to use it.

406. If I understand it rightly they are to have a veto on the parties nominated, and that in addition, if they choose they may have the power of introducing *ex officio* members?—Yes, that was the proposal as it was put for me by a legal gentleman.

407. But are the Committee to regard that as your own last recommendation?—By no means, it is open to consideration with regard to the Board of Trade.

408. Your object is to have a central board representing the different parts of the country, so that the rules may be uniform, and apply throughout the country?—Yes, that they may be steam users, who have a fellow feeling with the steam users.

409. But this memorandum of yours rather does away with the principle of the board representing the steam users, because, virtually, under this memorandum, the Board of Trade would have the appointment?—No doubt that is open to improvement. My own idea is that it should be a popular representative board.

410. Then you do not yourself lay stress on the Board of Trade having a veto, and having power to appoint members?—I should not myself at all desire it if the Government would not think it essential.

411. Would it not be better, then, to recommend a simple representation of the steam users, letting the Government come in, and ask for representation if they please?—I quite take that view of it; I have confidence in the steam users that they would do the thing rightly.

412. You think that the central board should be appointed and nominated by the steam users?—Yes.

413. With the view of having throughout the country a uniform system of examination and inspection?—Yes.

414. In fact it would be something like Lloyds' Register, in London, who keep up the classification, and make periodical surveys?—Yes.

415. You would have agents throughout the country?—Yes, it would be a steam users' parliament, belonging to the constituents throughout the country.

416. Mr. *Hermon.*] To put an extreme case upon the paper you read. If the Board of Trade were to veto the whole of the candidates, where would the election be then?—There would then be a fresh nomination by the electors; but I have already stated that the interference of the Board of Trade is not essential to my measure, and needs further consideration.

417. Mr. *Cawley.*] I suppose from the words "latent powers" which you employed, we are to understand that the system would work as written down in the paper you read; you are quite clear that, individually, you do not wish that the Board of Trade should have such a power as is now suggested?—By no means; that was intended to be in reserve if the steam users were supposed to be not going right.

418. By the powers to the Board of Trade do you not mean absolute power to exclude at their pleasure, but merely powers under reserve, in case of certain contingencies happening?—Yes, as a reserve. I was told that that would be a power that would never be called into exercise.

419. Mr. *S. Hill.*] The plan which you submit to the Committee is, in fact, only a sketch?—Just so.

420. Mr. *Fielden.*] It is not your own idea that the Board of Trade should have all those powers?—No; I should personally wish as little of the Board of Trade as the Government will allow us to have.

421. Mr. *S. Hill.*] Your scheme would be to have as little of the Board of Trade as the Government would let you have?—Yes, if that would meet the views of the Government, and then I would have this steam board answerable only to public opinion. I should be glad if that view of the case were adopted.

422. *Chairman.*] Is there any other point on which you wish to address any observations to the Committee?—No.

Mr. JOHN PENN, called in; and Examined.

Mr. *J. Penn.*
27 June 1870.

423. *Chairman.*] YOU are a Member of the Institution of Civil Engineers, I believe?—I am.

424. And you are also extensively engaged as a practical engineer, are you not?—Yes.

425. Have you had frequent opportunities of seeing the result of steam boiler explosions?—Yes, I have.

426. To what cause do you attribute these explosions in general?—They are to be attributed to various causes; malconstruction in some cases, neglect in others, and so on.

427. Will you be kind enough to describe any case of malconstruction that has come under your observation which has led to an explosion?—I do not remember any particularly, though I have seen such things certainly; but more frequently it has been from neglect or want of knowledge on the part of the people having charge of the machinery.

428. Inattention to the safety of the valve for example?—Yes, or shortness of water and other things, such as corrosion, and so on.

429. Do you consider that proper inspection and examination would have prevented all those accidents?—Yes, I have no doubt it would have prevented most of them.

430. Do you consider that the neglect has been on the part of the persons in attendance or on the part of the owners of the boilers generally?—That is difficult to answer; if a boiler is defective, and has been overworked and too long in use, then it would be the fault, no doubt, of the proprietor of the boiler, if it had not been inspected; but if it were from an accident, or from neglect on the part of the man in charge, you could hardly blame the manufacturer or owner.

431. I suppose you have found such cases where the proprietor himself has not used sufficient care?—I have no doubt about it; it is very often so.

432. Are you of opinion that compulsory inspection would have obviated the mischief in such cases?—Yes, I have no doubt it would do a great deal of good.

433. In fact, you are in favour of compulsory inspection?—Yes.

434. How would you propose that that inspection should be carried out, so as not to be too harrassing to steam users?—I do not know; I have not considered that; I only see a necessity for something being done.

435. But you are speaking generally in favour of compulsory inspection?—Yes, I think it would be a good thing.

436. But you have no proposition to make to the Committee with respect to that?—No; I have had so little time to consider the matter. Mr. Fletcher is very much better up in the matter than anybody else that I know.

437. Are you at all acquainted with the mode of inspection at the Manchester Steam Users' Association, or any of the associations?—Yes; and very good it is at the Manchester Steam Users' Association.

438. That is your opinion of it?—Yes, decidedly.

439. Are you of opinion that if it could be carried out more extensively it would prevent explosions?—Undoubtedly. The periodical examination of boilers, I think, is becoming more and more manifestly necessary every day.

440. If such a system could be carried out throughout the whole country, do you think that it would entirely prevent explosions?—Not entirely, perhaps, but certainly it would do away with most of them. You could not prevent accidents, of course, but periodical examinations would tend that way, and very greatly too.

441. Mr. *Hermon.*] If I rightly collect the drift of your evidence, you think that if the present system adopted by the Manchester Steam Users' Association were fully carried out, there would be no necessity for Government interference?—No, I think not. If that principle were carried out thoroughly, exactly as the Manchester Steam Users' Association are carrying it out, that would be all that could be desired.

442. But, under the circumstances, you think that that system should be made compulsory?—Just so.

443. Mr. *Fielden.*] You do not think that the Board of Trade should have a veto, or any power in this matter, do you?—I do not know; I have not thought of that.

444. How often do you think it is necessary, for ends of safety, that a boiler should be inspected?—That is a matter of opinion. I do not know the rule in Manchester, but I should rely on their opinion more than my own on such a question as that.

445. I suppose an outside examination would be sufficient sometimes?—Yes; but if an examination takes place it should be a thorough examination.

446. You cannot tell how often you think it should be made?—No; but a good deal depends on the age of the boiler, the dimensions, and the way in which it had been used. You could judge pretty well when you had got all those particulars.

447. Colonel *Gray.*] You say that you think the system of inspection which they have in Manchester is a good one?—Yes.

448. You are aware that that is a voluntary inspection, are you not?—Yes.

449. And that only a very small proportion of the boilers in the district are inspected?—I dare say.

450. Would you propose to make that inspection compulsory?—I think it would be most desirable. I mean, that a system which appears to have worked so well as that which has been adopted in Manchester should be made general.

451. But it is only voluntary at present?—If it is only voluntary at present, and it does not answer with regard to the extension of the system, I think you should have some greater force put on.

452. You would like to have it made compulsory?—Yes.

453. Would you make it a Government inspection?—That is a question I have not quite gone into. I do not care how it is made, so long as it is made.

454. It is quite clear that it will not be made general without some application of compulsion, you think?—I think so; I think we should have a compulsory measure.

455. Mr. *Cawley.*] When you referred to the Manchester system, you meant the Manchester system of inspection, and not the question of the voluntary principle?—Yes, I meant the system of inspection.

456. You have had some experience of Government inspection, have you not?—Yes.

457. Will you be kind enough to inform the Committee what is the inspection which they exercise at present over marine boilers?—I think it is very good; when circumstances admit of it, when a vessel comes in the machinery is inspected by a Government officer, appointed by the Board of Trade.

458. That inspection commences with the first fitting out of the vessel, I suppose?—I am not quite sure about that, but I think so.

459. You are not sure whether they require a certificate, are you?—I think they do; but I am not quite clear about it.

460. Afterwards the inspection is periodical, is it not?—Yes.

461. Is it your experience that that works satisfactorily?—I think so; I have heard no complaints against it whatever.

462. So far that would rather tend to show that Government inspection, through the Board of Trade, might be valuable?—Yes, undoubtedly; I do not know quite that that would be the best way of doing it, but there seems to be something wanting with regard to boiler inspection, and if it cannot be done without compulsion you must have compulsion, I think.

463. Do the Board of Trade appoint special inspectors for Government vessels?—Yes.

464. Do they appoint them at each port?—Yes, they appoint them at the principal ports.

465. Are their duties defined by any published rules?—Yes.

466. Which rules are, I suppose, known to all the trade?—Yes, quite so.

467. And they work satisfactorily, in your opinion?—I think perfectly so.

468. Do those inspections extend to all marine boilers?—Yes, I think so; I know that they extend to all vessels carrying passengers.

469. I suppose they have got some compulsory powers over other vessels to correct defects in the machinery, have they not?—I am not very much up in that, and I can hardly answer the question.

470. Could they withhold a certificate?—Yes.

471. That, of course, is a compulsory power?—Yes, I have no doubt it is. I believe I know of a case where they would not grant a certificate.

472. And, therefore, the vessel could not carry passengers?—Just so.

473. Did that case occur here in London?—No, I think not; it was some time ago.

474. Do you know where it was?—I think it was at Dover; I am not quite sure, but I think it was there.

475. Mr. *Platt.*] I think you stated, in answer to the Chairman, that explosions often take place from shortness of water and defective safety-valves?—Yes.

476. May I ask whether you do not find that corrosion is also often the cause of explosions?—Most assuredly that is very frequently the cause, and that would be discovered, no doubt, by inspection.

477. In fact, the adoption of a system of inspection is the only way in which you can discover anything of that kind, is it not?—Yes.

478. You stated that marine boilers are inspected; how often are they inspected?—I think it is four times a year, but I will not speak to that positively; or, at all events, it is whenever an opportunity permits. With regard to vessels running in the Thames, I think it is four times a year.

479. What is your opinion with reference to a local inspection like the Manchester one, or a central inspection, like the one you have described?—So far as I am able to judge of the Manchester system, it works thoroughly as far as the inspection goes; we all know that it is not generally adopted, but I think something should be done in the same way, seeing that that system has prevented so many explosions.

480. That we are all agreed about, but the question is with regard to the authority; you have already stated that the Board of Trade, as far as regards marine boilers, appoint inspectors of their own?—Yes.

481. Now, the Manchester system has been working in an opposite direction; they have been a local body, composed of the large manufacturers of the neighbourhood. The question is, which place you think would be the most effective; local bodies, or a central board, operating like the Board of Trade?—I have not considered that question; and which would work best I cannot, off-hand, say.

482. Mr. *Armitstead.*] Is it not the case that many explosions now occur in consequence of the much higher pressure under which boilers are worked?—Yes; and an explosion in a high pressure boiler is more severe than in a low pressure boiler.

483. But what is the inducement to work a boiler at such a high pressure; is it economy in fuel?—The inducement to work a boiler at high pressure is economy in fuel, no doubt.

484. Sir *T. Bazley.*] Are there any associations in London for inspecting boilers?—I think not; there is only the Board of Trade for merchant and passenger vessels.

485. As a professional engineer, are you ever applied to for the purpose of making an examination or inspection in particular cases?—Yes.

486. Have you found defects in boilers as to which you have been so applied to?—Yes.

487. You think that great benefit would be derived from the establishment of inspecting boilers, do you not?—Yes; I do not know the proper way of carrying it out, but no doubt it is desirable.

488. *Chairman.*] Have you any other observations which you wish to make to the Committee?—No.

Thursday, 30th June 1870.

MEMBERS PRESENT:

Sir Thomas Bazley.
Mr. Birley.
Mr. Cawley.
Colonel Gray.
Mr. Hermon.
Mr. Hick.
Mr. Staveley Hill.
Mr. Laird.
Mr. Lancaster.
Mr. M'Clure.
Mr. Pim.
Mr. Platt.
Dr. Lyon Playfair.

JOHN HICK, Esq., IN THE CHAIR.

Mr. CHARLES THOMPSON, J.P., called in; and Examined.

Mr. *C. Thompson.* J.P.

30 June 1870.

489. *Chairman.*] YOU are Chairman to the National Insurance Company, Manchester, are you not?—Yes, of the National Boiler Insurance Company.

490. How long has your company been in existance?—Since the year 1864.

491. The results of a good many explosions have naturally come under your observation?—Several of them have come under my observation.

492. To what do you attribute those explosions generally?—I think they are very generally attributable to carelessness; largely so.

493. Do you think they would have been avoided by careful periodical inspection?—I have no doubt at all that a large number, and perhaps all of them, would have been prevented by careful periodical inspection.

494. Do you know from your own knowledge and observation, that many explosions have occurred through defects in construction?—Some explosions have occurred from that cause.

495. And also from corrosion and deterioration of the boiler?—Yes, in some cases, that is the cause of the explosion; that is to say, working the boilers when they are known to be deficient in strength, both from wear and tear, and also insufficient repair.

496. In such cases as that, it must have been the result of carelessness, either on the part of the boiler owner or the attendant, must it not?—Yes; the deficiencies that had arisen should not have been overlooked by the attendant.

497. Explosions of that nature would have been avoided if the boilers had been regularly inspected by a careful and competent person?—Most certainly.

498. Are there any other causes of explosion that you are aware of, beyond bad construction and deterioration?—In some cases the water is of a character which induces corrosion, that is one cause; but I should like to state, that with regard to scientific evidence, I am scarcely capable of giving such information as the Committee would require; my object is, to show the commercial advantages of periodical inspection of boilers, and the advantages also of insurance.

499. Will you be kind enough to explain to the Committee what is the immediate object of insurance in this matter?—The idea is, that this is a legitimate business as much as any other kind of insurance, either insurance against fire, or life assurance, or marine insurance; that it comes within the same category, and is a fair subject of business; and it has been proved by experience that not only are boiler owners protected against explosions and accidents, but that a profitable business can be made by insurance.

500. But should not inspection, with the view to prevent explosions, be the first consideration?—Certainly.

501. Is that so with regard to your company?—Yes, certainly; we have that object primarily in view, that is to say, the prevention of explosions; but in connection with that, we think the business can be made remunerative to those who insure.

502. Your association is much like any other insurance society?—Precisely.

503. A person could, for example, take shares in your company, without being a boiler user?—Yes; the shares are marketable.

504. And he could put money into it as an investment?—Yes.

505. Without any regard to whether he was doing any good towards preventing accidents?—Yes; a large proportion of our shareholders are not steam users.

506. Is it your opinion that the owners of boilers are very culpable when accidents do occur, if they are not under some supervision?—They are very culpable; I believe the experience of the last year or two has shown that conclusively; out of the number of accidents that have occurred, the remarkable fact is, that scarcely any of those boilers have been under any independent inspection.

507. As you have already stated, periodical inspection by an experienced practical engineer would prevent many if not all of those explosions?—It would prevent most of them undoubtedly.

508. What do you consider a sufficient amount to be paid for a boiler, to insure it?—It depends a great deal on the pressure; we charge 20 *s.* per cent. per annum, to insure a boiler working at a less pressure than 40 lbs. to the inch.

509. Twenty

509. Twenty shillings per cent. on the cost of the boiler do you mean?—Twenty shillings per cent. insurance; we insure a boiler to the extent of 100 *l.* for the sum of 20 *s.*

510. How many inspections would you consider necessary per annum?—We endeavour to hold three or four inspections, and sometimes we give even more than that; but we give a thorough inspection once every year if we can get an opportunity.

511. You said you charged 20 *s.* per cent. per annum for a boiler up to a pressure of 40 lbs. to the inch; what is it above that pressure; what is it for about 50 or 60 lbs.?—About 5*s.* per cent. additional. The rate I believe is 25 *s.* for 60 lbs. pressure; and 30 *s.* for 80 lbs. pressure; that will ensure 100 *l.* in case of damage arising from any explosion, amounting to that sum.

512. Mr. *Cawley.*] When you say 20 *s.* per cent. you mean 20 *s.* per 100 *l.*?—Yes.

513. That is, of course, one per cent. properly speaking?—Yes.

514. At all events it is 20 *s.* per 100 *l.* that you mean?—Yes, 20 *s.* per 100 *l.*

515. *Chairman.*] What is the nature of the inspection that you would call a complete inspection?—An internal and external examination of the boiler by a very competent engineer.

516. And that you make three or four times a year?—No, that is a thorough examination; it is called a *thorough* in the technical use of the word.

517. What kind of examination is an ordinary examination?—That is an examination of the fittings; seeing that the various fittings work well, and that the general condition of the boiler is good; inquiring a little what has been going on (since the last visit) from the caretaker.

518. Your inspectors sometimes make a report and advise upon a boiler without making it necessary to insure, and you charge a certain sum for that, I suppose?—Yes; we have a system of inspection without insurance; the routine is precisely the same as in the case of insurance; the reports which the inspector would hand to the chief engineer in the office, which are revised by him before they are sent to our board, go through the same process with a person who entered for mere inspection, as with one who entered for insurance. The cost per boiler is about 15 *s.* to 18 *s.* per annum.

519. Mr. *Cawley.*] That is what you charge them?—That is what we charge them.

520. Is that for any particular number of inspections?—We think about three visits per annum would be included in that fee.

521. *Chairman.*] It is not absolutely necessary, that is to say, it is not compulsory for you to inspect when the parties have insured?—We do not insure without a careful inspection.

522. Mr. *Cawley.*] You make a previous inspection?—Yes, we make a previous inspection; not always a thorough internal inspection; if an inspector considers a boiler to be in fair condition, and it is not quite convenient to the owner to give time for a thorough inspection at the moment the boiler is insured, we embrace the earliest opportunity afterwards for a thorough inspection.

523. *Chairman.*] You have stated that, as far as insurance goes, you are in much the same position as other insurance companies; now, with regard to other insurance companies, for houses, for instance, they do not think it necessary to go and see the state in which the houses are kept with regard to the use of fire and candle, but they go on and take the risk; I presume you do much the same?—Our periodical visits, of course, give us some information with regard to the condition of the article insured; but that does not differ materially from other insurance.

524. What number of boilers have you under insurance?—We have about 2,000 boilers insured, or rather more than that. We have had between 3,000 and 4,000 under our care in the course of our operations.

525. Mr. *Cawley.*] How many have you at present that are not insured?—Not a very large number; so few that the number is quite immaterial. It will be seen that the insurance is included for a very few shillings of additional charge.

526. You say that insurance is 25 *s.* or 30 *s.* per 100 *l.*, and that the other is 15 *s.* or 18 *s.* per boiler. I was going to ask you what is the average, per boiler, of the insurance?—That entirely depends on the pressure. Do you mean the additional charge for insurance?

527. No; I mean this: when you say your charge is 25 *s.* per 100 *l.* for insurance, I want to know, out of the 2,000 boilers, what the average of the insurance is per boiler per annum?—I should say it would be under 25 *s.*, because of the larger number that are working under 60 lbs. pressure than above it.

528. But the point is, whether the amount per boiler insured averages less than 100 *l.*; if the average is less, of course the amount you receive is less than 25 *s.*; but if the average is more than 100 *l.*, of course the average per boiler would be more; I want to know what the average insurance per boiler is?—I am not able to say what the average would be. Frequently about 200 *l.* per boiler is insured. There is also a system of taking boilers in a group, taking four or six, or even up to 20 boilers, in a group, and insuring a certain amount over the whole, in case of accident to any one boiler. We do not always confine ourselves to insuring for 100 *l.* a boiler; we have as high an insurance as 500 *l.* on a boiler in some cases, and even more than that on locomotive boilers, and then, of course, the amount of premium is multiplied by the number of hundreds.

529. What I want to know is this: what is the average amount per boiler; because we cannot compare the amount of the inspection per boiler, with your charge for insurance, unless we have some idea what the average amount per boiler insured is?—If the average cost is about 15 *s.* to 18 *s.*, and the difference for insurance is from 20 *s.* to 25 *s.*; that difference in payment is the amount charged for insurance.

530. Yes; but unfortunately you begin with the word "if"; we want to get at the fact of the actual cost of insurance?—I cannot say what the average is.

531. Sir *T. Bazley.*] Do you state that boilers insured are usually insured at the rate of about 50 *l.* per boiler?—No; we do not take any insurance for less than 100 *l.*; that would not be worth inspecting.

532. Mr. *Cawley.*] Then when there are four boilers in one case, they may be insured for four different sums of 100 *l.*, or for four different sums of 200 *l.*?—Yes.

533. Would you not insure a group of boilers for less than 100 *l.* per boiler?—Yes, we would insure

Mr. *C. Thompson*, J.P.

30 June 1870.

insure four in a group in case of accident, to any one for 200 *l.*

534. Mr. *Staveley Hill.*] You would not take the insurance of any one boiler under 100 *l.*?—Certainly not.

535. But you would take the insurance of any number of boilers for a less sum than 200 *l.*?—Not less than 200 *l.*

536. Mr. *Hermon.*] What would be the average amount per boiler on your books?—I think 250 *l.* would be the average.

537. Mr. *Birley.*] Do you insure anything beyond the boilers themselves?—All damage done by the explosion, to the surrounding property, is made good to the amount of the sum insured.

538. You would take an insurance for 1,000 *l.*, I suppose?—We do not take an insurance on any single boiler to that extent, except in one or two cases; we have done so in some locomotive boilers; we take up to 1,000 *l.*

539. But suppose there are very extensive buildings around the boiler, would you insure them at the same time?—We do not include them as part of the contracts, but we hold ourselves responsible, and have paid for damage done to other property, even than the boiler fittings or the buildings.

540. *Chairman.*] What number of inspections have you made during the last year?—The chief engineer will be able to give you that information; but all the 2,000 boilers that are in our books have been inspected several times throughout the year.

541. Mr. *Hermon.*] I think I understood you to say that you inspect every boiler that you insure?—Certainly.

542. Mr. *Lancaster.*] In fact you have a pecuniary interest in doing so?—Decidedly we have; for our protection we can demand at any time a *thorough* inspection, which is an internal examination of the boilers.

543. And that you do with the view of saving yourselves from having to pay the insurance?—Certainly.

544. *Chairman.*] Over what extent of country have you boilers under your inspection?—From Aberdeen to Plymouth; over the whole of the United Kingdom, in fact.

545. Your company is paying good dividends now, is it not?—Yes, pretty fair. We paid 6 per cent. last year to the shareholders.

546. Colonel *Gray.*] Is that about what your company has paid in previous years?—It was larger than in previous years, but the establishment of a business requires time, especially this kind of business. We hope to pay a larger dividend this year.

547. What is the 6 per cent. dividend paid upon?—On the subscribed capital. Our shares are 10 *l.* shares, with limited liability, on which 25 *s.* per share only has been paid, and that yields 6 per cent. at present, or rather more this year.

548. How many shares have you?—A few less than 5,000.

549. Have your shares risen in value?—They are not quoted on any market list. They are not very often changing hands.

550. Have you any difficulty in inducing parties to insure?—There is a great deal of competition. We have that kind of difficulty, between the various associations.

551. Then, if you charge 20 *s.* per cent., and some other parties charge 15 *s.* per cent., they would get more business than you, I suppose?—A good deal would depend on the nature of the inspections given. We find that our officers are very well appreciated, and our business is necessarily increasing. There are a very large number of boiler owners who neglect to insure, and who neglect also to have their boilers periodically inspected. Of course there is a difficulty in getting at those people.

552. Inasmuch as we gather from you that your opinion is that a periodical and thorough inspection, such as you could give, would prevent a great many, if not most of those explosions; I suppose you would think it very desirable that such an inspection should take place universally?—Most desirable.

553. You would make it compulsory, would you not?—Yes, certainly.

554. How would you effect that?—I think a simple plan of compulsory registration of all steam-boilers should be insisted upon in the first instance, and that the owners of the boilers should be called upon to make an annual return of those boilers, whether in use or not working, and that that return should contain an affirmation that those boilers had been examined, and by whom.

555. To whom, in your opinion, should the return be made?—I am rather inclined myself to say the local authorities; those returns might be made to the clerk of the justices of the peace for the county, or as in our own case in Manchester, to the municipal authorities; or they might even be placed in connection with that department now existing for the inspection of weights and measures, which is worked through the police department of our council. It seems to come within the range of that class of service.

556. Having registered all the boilers, you would then insist upon every boiler being placed under some inspection?—Certainly.

557. And no boiler not so inspected and registered should be allowed to work?—Yes, certainly.

558. But what penalty would you propose to impose in case those rules were not complied with?—I have not thought what the amount of the penalty should be, but I think that an order made by the House of Commons, that all boilers should be periodically inspected, and a report made to some authority upon them, would be sufficient. I think that such an order would be respected; but the responsibility of any accident to any boiler not under such an inspection should be visited with very severe penalties.

559. Mr. *Hermon.*] Have you any knowledge that after any boiler has been condemned or refused to be inspected by any officer, that boiler has continued at work, although, in the opinion of the insurance officer, it was unsafe?—Yes.

560. You know of cases of that kind, do you?—Yes; we have no power to condemn a boiler; we simply refuse to renew the insurance.

561. But you have known cases where boilers refused, have been continued at work for a long time?—Just so.

562. And explosions do happen from those boilers that you have refused?—Yes, very serious explosions.

563. Mr. *Birley.*] The object of your company is to take only good risks, I suppose?—We are careful to examine into all proposals for insurance. Every proposal comes first under the notice

notice of our officers, and then under the notice of our board.

564. You exclude hazardous risks, do you not?—Yes.

565. Ordinary insurance companies take hazardous risks, at enhanced premiums; do you do that?—No, we never do so; we are simply governed by the pressure.

566. But an extra pressure of 60 lbs. or 80 lbs. is a legitimate hazardous risk, is it not?—You are aware that boilers are constructed to work at certain pressures.

567. That is what I say, is legitimate; but you take no hazardous risks as ordinary marine or fire insurance offices do, at enhanced premiums, with that exception?—Certainly not.

568. In fact you avoid them?—Yes.

569. Colonel *Gray*.] You have mentioned the number of shares in your company, and the amount paid on them; can you tell the Committee the proportion of shareholders you have who are steam users, and those who are not?—I should say that about one-half of our shareholders are steam users; some of them are large steam users.

570. The other half, I suppose, are simply holders of the capital of the company?—Just so.

571. You say that you always make an inspection, and a careful inspection, previous to insuring any boiler?—We do.

572. I think you have stated that you have about 2,000 boilers insured in your office?—Yes.

573. After the first inspection are those boilers all inspected thoroughly once a year?—Not always thoroughly inspected; that is to say, internally inspected; but as frequently as we can get inspections from the owners we have thorough inspections made. They are not always thoroughly inspected every year, but there are three or four visits annually to every boiler on our books.

574. But is it not desirable that there should be at least one thorough inspection every year?—It depends a great deal upon the attendants who have charge of the boilers, because the care of a regular attendant must be estimated as being of value. We should not insist, in all cases, on having a thorough inspection every year.

575. Mr. *Cawley*.] Then what would be the nature of the inspection which you would make compulsory, apart altogether from your present system. I understand you to say it could be done by having every boiler registered, and that every year the owner of the boiler should be bound to send some certificate or other document to the local authorities setting forth that that boiler had been inspected?—Yes.

576. Inspected by whom?—That return should state by whom the boiler was inspected, and there should be authorised inspectors of steam boilers. Such companies, for instance, as our own, or the other companies who insure, or who inspect steam boilers, or even engineering firms of respectability should be authorised to inspect steam boilers through competent inspectors, who of course, should be certificated men.

577. Who, in your opinion, should have the appointment of those certified inspectors?—Companies like our own would stand on their merits, as would also private firms, and boiler owners would have the choice of those companies, or of private firms. Of course, whether they chose insurance companies, or simply inspecting companies, they would choose them on their merits.

578. But if there is to be a certificate which is to be deemed sufficient and that is to be received by the local authority, there must be some party authorised by some tribunal or other to inspect the boilers; it may be a company's man who might be appointed, but what I want to know is, by whom is he to be appointed as inspector?—Take the case of a firm having boiler makers in its employ, one or two or three are competent men to make those inspections, and to make drawings, and to set forth in a report the condition of a boiler; that servant should be registered as a competent inspector.

579. But who is to register him?—His master; his employer.

580. Then who are the authorities who are to receive this report?—His employers in the first instance, and its value will depend on the respectability of the employer or the companies.

581. Then am I to understand this, that you simply mean that a maker is to have his boiler inspected by some one whom he chooses himself to employ; a man from one of the insurance companies, or anybody he supposes to be competent; and that a certificate is to be sent in to the authorities, and if the authorities think the parties respectable, they are to hold that sufficient?—The authorities would know the character of the firm giving such certificates, and certificates given by the inspectors of the firm would be sufficient, in my idea, for an ordinary inspector's certificate.

582. You would not require that the authorities themselves should register those parties beforehand?—No, I do not require that; but I require that the firm should be registered, and authorised very much in the same way as we do in Manchester and Salford with regard to gas fitters and water fitters.

583. You think that registering the inspectors, in the same way as those men who are authorised to put up gas-fittings or water-fittings, would be sufficient?—Yes, I do; this is a very much more important matter, of course, and therefore the choice would be much more restricted. But it is that kind of authorisation which I think the local authorities ought to give to firms or companies.

584. I think you have already informed the Committee that the insurance system does not secure the inspection of the larger proportion of the boilers in the kingdom?—Just so; a very large proportion of them are still not under inspection.

585. Have you any idea what the proportion is?—Probably from 17,000 to 20,000 boilers may be under care and inspection out of 70,000 or 100,000 boilers in the kingdom.

586. Do you mean under the inspection of companies?—Yes, under the inspection of companies; I mean independent companies; I do not think much of inspections performed by the servants of owners of boilers; I do not think that that can be an inspection which is at all satisfactory; and in the case of firms being boiler-makers or engineers entering their servants as inspectors, they should not be allowed to inspect their own employers' boilers.

587. When I use the word "inspection," with regard to inspecting boilers, I mean inspection by independent parties?—Just so.

588. You think there are from 17,000 to 20,000 boilers under inspection?—Yes, quite that.

589. You have only 2,000 boilers insured in your office, you say?—We have rather upwards

Mr. *C. Thompson*, J.P.

30 June 1870.

of 2,000; we have had about 3,500, but owing to circumstances of business, and various causes, many have fallen in.

590. *Chairman.*] They have been withdrawn, you mean?—They have been withdrawn from work altogether; the changes in Lancashire and Yorkshire have been very numerous of late.

591. Mr. *S. Hill.*] How much did you pay during the last year for inspecting boilers alone, by your own inspectors?—The officers' travelling expenses last year amounted to 485 *l.*, that is to say, without salaries or office expenses; simply the travelling expenses of the officers we employ.

592. The operations of your office extend, do they not, from Aberdeen to Plymouth?—Yes.

593. Can you give the Committee the amount of the sum that you paid for inspecting boilers during last year?—I cannot get nearer to it than just stating the expenses incurred in travelling, because they are paid by salaries.

594. Will you be good enough to give me the salaries of the inspectors?—They get from 100 *l.* to 150 *l.* per annum.

595. How many inspectors have you?—We have five or six regular inspectors, and several occasional inspectors up and down the country, resident.

596. Therefore the travelling expenses and the total cost of inspecting the 2,000 boilers, was considerably under 1,000 *l.*?—No, it would be very much more than that; because of the salaries and expenses connected with their department; probably 1,500 *l.* would be about the sum.

597. How many inspectors did you say you had?—We have five or six regular inspectors, and several occasional inspectors, resident in the districts.

598. What is the average cost that you pay for the inspection of a boiler, including the chief inspector; that is to say, all the expenses proper to the inspection?—We reckon that each boiler costs us from 12 *s.* 6 *d.* to 15 *s.* per annum in the actual cost of inspection only.

599. For inspection?—Yes.

600. Do you receive, before you insure any boiler, a report of the state of that boiler?—Yes, certainly.

601. Have you got any report by you that you can show the Committee?—No; but the engineer may have one with him.

602. I will read you an answer that was given by Mr. Fletcher. He says, at Question 380, "Now our experience shows that to make a competent internal examination, on which the safety of a boiler depends, will cost 1 *l.*, that is to say, to inspect it, will cost 1 *l.*, and to insure it, will cost 1 *s.*; to leave the boiler alone and pay compensation, will cost 1 *s.* a boiler, and to inspect it and prevent explosion, will cost 1 *l.*;" now, how far do you agree with that answer?—I do not know on what basis Mr. Fletcher arrived at those conclusions at all, for a man will very easily inspect, and thoroughly inspect a boiler in half a day inside and out, and try every plate and every valve and movement connected with it; therefore I cannot see how it could cost 1 *l.*

603. You say that you have reports of boilers, before you insure them?—Yes.

604. Have you any report of boilers after they have once been insured, with regard to their state and condition?—Yes, every quarter, or as near as we can get them.

605. A report from whom?—From one of the inspectors who visit them.

606. You mean a report from the inspectors who visit them, of every boiler?—Yes, a report from the inspector who visits, of every boiler.

607. They make those inspections three or four times a year?—Yes.

608. Mr. *Hermon.*] You do not think that your inspectors' expenses, including wages and travelling expenses, come to about 15 *s.* or 20 *s.* per boiler for inspection?—Not quite so much as that.

609. Mr. *Platt.*] Have you anything connected with life insurance in your office?—No, we do not at all entertain accidents to the person.

610. You entertain insurance only with regard to boilers?—We only entertain insurance with regard to boilers and the surrounding property, whether it be buildings, or goods, or machinery.

611. Have you ever had any claim for loss of life?—No, not for loss of life.

612. Then of course you have not paid anything for loss of life?—Certainly not; that is clearly stated on our policy.

613. Mr. *Pim.*] An internal inspection, you say, should be conducted once a year; do you mean an inspection not only of the inside of the boiler, but of the exterior of the boiler, and of the flues?—Yes, of course, a man will go through the flues in making that inspection inside and out, as well as inside the boiler itself.

614. Had you any losses last year by explosions?—Yes; we had one accident to a boiler last year which was not preventible by ordinary inspection at all. That was a case of loss of water; that is to say allowing the water to go down.

615. In that case, was there loss of life?—Yes; there was a loss of one, if not two, lives in that case.

616. And the boiler had been inspected, and you thought it all right?—Yes; there was no doubt it was in a satisfactory working condition, but owing to the water getting too low, and the attendant not observing that, of course the boiler burst.

617. You mean that it was carelessness on the part of the attendant?—Yes; there is not a shadow of a doubt about that.

618. Sir *T. Bazley.*] In estimating the cost of inspecting boilers, do you not include the general expenses of the establishment?—Yes.

619. Have you not, besides the working inspectors, a superior or scientific inspector, who has a larger salary than the sub-inspectors?—Certainly. The gentleman who will succeed me in my examination is the chief engineer in our company, under whose inspection all reports from the subordinates come.

620. In any doubtful case he is appealed to, and, perhaps, goes and inspects the boiler just the same as the subordinate inspectors?—We have assistant engineers under him, between him and the ordinary inspectors, who take occasional journeys.

621. You say there are about 17,000 or 20,000 boilers under inspection in the kingdom?—Yes.

622. How many boiler preserving associations and insurance associations may there be?—There are three insuring associations, and one mutual association, which may be called an insurance association also, inasmuch as they give a guarantee now in case of explosions up to 300 *l.*

623. Where

623. Where are those associations fixed in the country?—Our own is in Manchester, and the Steam Power Company is also in Manchester, and the Prevention of Steam Boiler Explosions is also in Manchester. The Midland Company has its head quarters at Birmingham.

624. Would it, do you think, be convenient for the examination of the boilers to have a central authority situated in London or Glasgow?—I do not see any advantage in that at all.

625. You would not be particularly favourable to a distant control of boilers in Lancashire?—I do not see that any good could arise from that, and I should not be favourable to it on account of the tendency to divide the responsibility.

626. You state that you think it is desirable to have certified examiners?—Yes.

627. Would you give to every proprietor or user of a steam boiler a certificate of having had that boiler duly examined quarterly or annually?—I should expect from the owners of steam-boilers a return drawn in uniform form, to be applicable to all parts of the country, which should show that the boiler had been examined, and by whom, and what was the condition of the boiler at that time, a few special questions being answered from the report of the inspector himself, or the report of the inspector might be appended.

628. Probably you would not permit a boiler to be used at all for steam purposes, the user or owner of which had not a certificate of its safety on examination?—We do not usually issue certificates of safety; we supply report to the owner that the boiler has been examined, and is in such and such a condition, and if anything seems required to be done, we suggest it to him; but if those requirements are not complied with, probably when the policy fell out it would not be renewed.

629. Should the compulsion be Parliamentary or municipal?—Certainly it should be a Parliamentary compulsion, because so many boilers are situated away from municipal authority.

630. You would not permit a boiler to be used which was not inspected?—I would not permit a boiler to be used which was not registered; the registration itself, I think, would bring them under notice once a year, because the return would have to be made, by the owner himself, to some authority every year.

631. Would registration, do you think, be safe without examination?—Registration should compel an examination; the very fact of having to register a boiler as being a working boiler, would show that the owner brought it under some kind of independent inspection.

632. Would you make that a clause in the Act of Parliament?—Yes.

633. Mr. *Hermon.*] I understood you to suggest that firms should register their engineers?—Firms might certainly register their engineers as competent independent inspectors.

634. But at the same time, I understand you to say that you would not consider their inspection and report sufficient for their own boilers?—Certainly not for their own boilers.

635. Do you not think that an efficient engineer who is employed by large firms, who is capable of making mechanical drawings and sections, would be equally well able to make a report as an inspector whom you employ at a salary of 100 *l.* or 130 *l.*?—Certainly, that is why I would recommend that they should have authority to inspect steam boilers.

636. But not their own employers' boilers?—Just so; not their own employers' boilers.

637. Unless such a man's report is to be sufficient for his employer's boiler, I do not see the good of the employer registering him, because any inspection he made elsewhere would be at the expense of his employer, because he would be using his employer's time, would not that be so?—I want to put into the hands of firms of that character, the power of inspecting boilers for profit, that they might, where people do not require insurance, apply to competent engineers, or boiler-making firms to have their boilers inspected by those certified inspectors whose certicates should be handed in to the authorities.

638. Colonel *Gray.*] You say that when you first insure a boiler, you make a careful inspection of it. Now would it not be worth your while, and advantageous to the company, and likely to make a better investment of the capital, if you saved yourself the expense of inspecting, and took the risk of any explosions taking place after you had once seen that the boilers were in good condition?—That would not satisfy us.

639. But would it not be to your interest with regard to the dividends?—No, I think not, because our visits are really the valuable part of the whole process; the visits of our inspectors are always an advantage to the insurers. We do not wish to throw impediments in their way; we wish to assist them to make the working of the boilers safe.

640. But your object is to make dividends for the shareholders, is it not?—But we should not be so likely to make a profit if we left everything after the first inspection to the insurer himself.

641. But you would save a great deal of expense, would you not?—No doubt, but that is not altogether our object.

642. Mr. *Platt.*] Might I ask what per-centage of the boilers, under your insurance, have come to grief?—In the six years of the operations of the company, I think we have had three serious explosions; I think not more than three. We have had several cases of accidents to flues, collapse of flues, owing to shortness of water, especially where our patent plug has not been used, a plug which is very useful in preventing explosions.

643. What amount of compensation have you paid during that time?—I can give the Committee each year separately. The amount of compensation paid in the year 1866, was 117 *l.* There is no entry for 1865. I dare say there was nothing paid in that year. In the year 1867, the amount of compensation was 539 *l.* That included one case of an insurance on a boiler for 400 *l.* all of which we paid within a few days of the accident. In 1868, the amount of compensation was 127 *l.*, and in 1869, it was 163 *l.*

644. Colonel *Gray.*] There was an explosion at Manchester last Monday; was that boiler insured with you?—The boiler is not under our care now. It had been under our care a year ago. It is one of those instances in which, after withdrawing from the insurance, an explosion happened.

645. Mr. *Cawley.*] Was that the one at Chadderton?—Yes, at Chadderton.

646. Mr. *Platt.*] When you declare a dividend

Mr. *C. Thompson*, J.P.

30 June 1870.

do you retain a large reserve fund?—We have a reserve fund. In the year 1869 it amounted to 796 *l.*, which was the appropriation of profits from year to year, after paying our dividends; but then the reserve fund on which we depend is the unpaid-up capital of 8 *l.* 15 *s.* per share.

647. Is it not very likely that as you increase in years, your risks will increase very considerably?—Our income will increase.

648. With the risk?—We think not, because by our care towards the insurers we induce them to renew the old plant, and put in fresh boilers; therefore with our increasing years our profit will be larger.

649. But suppose they do not do that?—Then we should cease to insure. We should run no risk.

650. Is it not a very unwise proceeding for your company to divide the whole of their dividends, because the risk must be greater as time wears on?—We are providing for that, because even in 1869, when the balance was 798 *l.*, we carried a further sum of 208 *l.* that year to that account, so that there is now above 1,000 *l.*, which is at the rate of about 200 *l.* a year going to the reserved fund, which has never yet been drawn upon.

651. Mr. *Cawley.*] Whereabouts was this boiler that exploded in Chadderton?—It was near Chadderton.

652. Whose boiler was it?—I forget the name of the individual.

653. Mr. *Lancaster.*] Had you refused to continue the insurance on that boiler?—Yes.

654. Mr. *Cawley.*] Why did you refuse to continue the insurance in that case?—Our engineer will be able to answer that question fully. I am not aware of the precise reason why.

655. Mr. *Lancaster.*] When you find that the moment of danger has come, you refuse to insure any longer?—We refuse to insure unless the repairs or alterations which we think necessary are made; of course it is to our advantage to have those alterations made in order to continue the insurance, and get a profit from it.

656. But the moment the point of danger has come, you withdraw from the insurance unless they renew the boiler or put it into a safe condition?—On the lapse of the policy at the end of the year we do not renew the insurance, but of course we are responsible up to the end of the year.

657. Mr. *S. Hill.*] Had you, previous to this explosion, brought to the notice of the owner of the boiler the cause of your withdrawing your insurance?—He refused to renew the insurance. The refusal was on his part, because he refused to make those alterations which our engineer deemed necessary.

658. The engineer prescribed a certain course of repair, the owner refused to do that, and the insurance necessarily fell through?—Yes.

659. Mr. *Platt.*] One of the answers which you gave just now suggests another question; there would never be much risk in your company, because at the end of the 12 months, under one pretence or another, you could always say you would no longer insure a boiler?—Then comes the question, how long should we exist under such circumstances as those.

660. Whatever becomes of the people that insure then, I can see quite clearly that you, the company, would be perfectly safe, because you would run away when there was danger; is not that so?—We do not run away; we suggest what is necessary to be done, and the honourable Member, I am sure, would not advise us to do otherwise; we should be morally culpable if we did.

661. Mr. *Lancaster.*] That refusal to continue the insurance, is equivalent to a notice that the boiler is unsafe, is it not?—Yes; it is necessary that we should not only protect the public by that protest against going on, but we show that we are willing to go on if the thing is made right.

662. But your refusal implies to the public, that a boiler is not safe, does it not?—Certainly.

663. Mr. *Hermon.*] You have said that a good many explosions happen through the non-use of your patent plug; is that a plug which fuses when there is shortness of water, allowing the water to run off in some way?—Yes, in all cases where the shortness of water is the cause, an explosion would be prevented.

664. That plug fuses and extinguishes the fire?—Yes.

665. Mr. *Cawley.*] Will you tell us, in estimating the amount of insurance, what proportion of boilers you calculate to explode, on an average, annually?—We have not been long enough in existence to make any very clear calculation, but from what I have shown you we may safely say that we shall not have more than two explosions in three years.

666. I apprehend that when you commenced the business of insurance, like other people you made an estimate of a certain charge which would enable you to meet your insurances and leave you a profit?—We were guided very much by the experience of an older company, which had made its profit.

667. What company was that?—The Boiler Insurance Steam Power Company.

668. Then what is the basis of your rate of insurance, apart from the inspection?—It is the experience that we have.

669. Then tell me, is it on one boiler in one hundred, or on one boiler in a thousand?—That would be decided very much by the character of the boiler. In the iron or coal districts, the probability is that the number would be very much larger; but if we confined ourselves to Manchester and the Lancashire and Yorkshire boilers, the number would not be so great; I think, probably, one in 1,000 would be quite a fair estimate of any probable explosion in the course of a year. It is more than the other company in Manchester have, I believe.

670. That is to say one in 1,000 out of those which you chose to insure?—It would be less than one in 1,000.

671. Then of course the amount required to cover that is a very simple calculation?—Yes.

672. Then we may take it that your company is based on something less than the proportion of one in 1,000?—Less than one in 1,000 per annum; certainly it is less than that.

673. Taking your charge of 25 *s.*, or whatever it is, I want to know what proportion of that was really for insurance, and what to cover expenses?—In round numbers you may say 5 *s.* for insurance, and 20 *s.* for expenses.

674. *Chairman.*] Is there any other matter to which you wish to refer?—No.

Mr. HENRY HILLER, called in; and Examined.

675. *Chairman.*] YOU are Chief Engineer to the National Boiler Insurance Company?—Yes.

676. How long have you been in that position?—I have held that position for about six years. Previously to that, I was assistant engineer to the Boiler Association—the Manchester Association for the Prevention of Boiler Explosions.

677. Which is now the Steam Users' Association?—Yes; I was assistant engineer there: I had been previously one of their inspectors. I have been engaged in what you may call boiler inspection, and business connected with it, for about 11 years.

678. You have had, of course, considerable experience in the investigation of the causes of boiler explosions?—Yes, I have.

679. To what cause do you attribute those catastrophes generally?—I attribute them to various causes; I have tabulated them here and they may be classed under somewhat the following headings. First, originally defective or weak construction. Secondly, Defective or insufficient fittings. Thirdly, Defective mode of setting, or improper arrangement of flues. Fourthly, Defective or weakened condition through wear, neglect, mismanagement, and other unfavourable circumstances. Fifthly, Carelessness, or mistake of attendants.

680. Have you a statement of the proportion of boilers coming under each head of the causes?—Yes; I have the particulars of the explosions which have come under my notice during the last five years, or rather during the five years ending 31st December 1869; 288 explosions were reported to me as having occurred in those five years; I obtained reliable particulars of about 223 of them; 36 were from external corrosion; 36 from deficiency of water; 29 from fracture at riveted seams at the lower part of boiler, generally over the furnace (externally fired boilers); 29 from insufficient staying or malconstruction; 29 from weakness of internal flue tubes; 24 from over pressure; nine from internal grooving; eight from internal corrosion; eight from weakness of the shell at the manhole; five from fracture through flaws in the iron, that is to say, defective material; two from unusual accumulation of deposit on furnace plates (plain cylindrical externally fired boilers); one from collapse of tube through deposit; one from thinning of copper fire-box, by external wear (a locomotive boiler); one from defective fire-box stays, that was a locomotive boiler; one from weakness of manhole cover; one from defective manhole mouthpiece; one from fracture in the flanging of an end plate, plain cylindrical boiler; one from defective arrangement of external flues, and one from the boiler being without a safety valve. Those are the 223 explosions of which I obtained reliable particulars; 65 other explosions either occurred in distant places, or with regard to which I was unable to obtain the particulars required.

681. The greatest number of boilers have exploded from corrosion, and from want of water, being 36 of each?—Yes; I have divided the corrosion into two heads, internal and external; external corrosion is caused by external moisture or leakage.

682. Mr. *Cawley.*] You have not separated those explosions into the main heads, namely, original defects, and defects occurring subsequently; the first heading here is "External corrosion," which is not an original defect; the second is "Deficiency of water," which is not an original defect; and the next is "Fracture at riveted seams at the lower part of the boiler," and that is not an original defect?—There are five general headings which I read; the fifth was carelessness, or mistake of attendants; but I have given the first heading as original defect, or "weak construction," and then enlarging on that, I say that those particular boilers would be so and so.

683. Can you summarise your answer of the original defects, and tell the Committee the proportion, because we know that that could be remedied by some inspection previous to the boiler being fixed?—Many boilers are originally weak from the ignorance of the men making them, through not sufficiently staying the ends; or in cases where there are flue tubes of large diameter not strengthening them by hoops, or cross tubes, which are generally adopted by the leading firms in Lancashire and other neighbourhoods; other boilers are weakened in other ways owing to the want of knowledge on the part of the parties engaged in constructing them; I class under that head the boilers failing from bad workmanship. Those cases are not so numerous as boilers actually failing from malformation, as distinguished from bad workmanship; but bad workmanship may lead to many explosions, inasmuch as if a seam is not properly closed, or the riveting not well done, the boiler will begin to leak, and that will lead to corrosion, which may result in an explosion. Then comes the inferior materials which will in the same way conduce to increase the number of explosions; there is no doubt that in many districts very bad iron is used, and I think it is a very important matter in any legislation, that some regard should be attached to the material used; perhaps it might be insisted upon that no iron should be used in boiler construction that would not bear an average strain of 20 tons on the square inch; that is what we call the Staffordshire strength. It should be insisted upon that every maker of boiler plates should mark clearly and distinctly on all his plates his brand, showing the quality of the iron, and so on.

684. *Chairman.*] In what class of works have those explosions generally occurred?—I think that more explosions occur at collieries and iron works, than anywhere else.

685. What description of boilers are generally used there?—At collieries, they generally use a cylindrical boiler, externally fired, without any internal flue tube.

686. An ordinary egg-ended cylindrical boiler? Yes.

687. What is the cause of fracture or explosion in such a boiler as that?—Fractures are generally induced, to a great extent, by deposit from the water with which the boilers are fed; they often use bad water from the pits and so on, which deposits a large sediment, and through the peculiar manner in which those boilers are fired, the seams over the furnace become injured, and then through the alternate contraction and expansion to which they are subjected, they eventually fracture; if that is not discovered in time, the

Mr. *H. Hiller.*

30 June 1870.

the rent extends, and the boiler is torn to pieces with explosive force.

688. As a matter of course, if there is a considerable sediment in the water, it will find its way to the lowest point which is in contact with the fire?—Yes, it is like a hollow dish.

689. Is there not a good deal of prejudice in favour of that kind of boiler among coal owners?—Yes, its simple form is a great recommendation to them; they have not the skilled attendants which we have in the mills in Lancashire; besides, those boilers are so easy to clean; there are no internal tubes, and the consequence is, that many of the engineers in collieries adhere to them, because they can be easily cleaned and easily repaired; but they certainly do require frequent repairs for the reasons I have given.

690. As a rule, are those boilers under any other inspection than that of the owners?—Not generally; I believe the insurance companies, with the exception perhaps of the Midland Company, have fewer colliery boilers than most other classes. The Midland Company have a very large proportion of collieries, and iron works; we have only a small number. Ours is a very mixed lot of boilers. The association have a great many boilers in Lancashire, mostly at cotton mills, which are a very superior class of boiler.

691. You have spoken now of the general cause of explosions in that description of boilers. What are the causes in other descriptions of boilers; such as those which are used in factories and other places?—Occasionally factory boilers are made suitable for a certain pressure, supposing it is a two-flued boiler, and sometimes the pressure is raised afterwards, and through want of precaution, and regard to the strength of the tubes perhaps, the flue tubes may collapse, in consequence of the pressure being too high; in other cases, the fittings may be insufficient; there may be a bad safety-valve, which leads to excessive pressure.

692. Mr. *Cawley.*] But is it the fact that you find from experience that accidents do arise from those causes?—Yes, it is the fact. Explosions arise sometimes through the water guages being fixed wrongly, and fixed too low, thus deceiving the attendant; I have known cases of that kind; sometimes I have known cases occur through the attendants mistake or carelessness, in not testing often enough. I have known an explosion occur through the omission of a proper back pressure valve, in consequence of which omission the water was forced from one boiler to the adjacent one, and the flues of the boiler which the water left became red hot, and consequently collapsed, leading to an explosion.

693. *Chairman.*] Are there any other causes?—External corrosion is a most fruitful source of violent explosions; many two-flued boilers which we consider a very safe class have exploded through corrosion.

694. How has that been caused?—Most frequently through external moisture, dampness due to the seating being too broad a wall, or having at the bottom a mid-feather wall, which made it impossible to tell the condition of the plates unless that wall was removed. Corrosion occurs where the iron is in contact with the brickwork, until the plates become so thin that an explosion ensues.

695. How would you ascertain what deterioration was going on by corrosion in that way?—We very often advise people to remove portions of the brickwork to let us test the plates. In many other cases we have advised them to re-set the boilers, which has been done.

696. Having removed the brickwork, how do you ascertain the fact; do you drill the plates?—Yes, frequently; if the plate appears to be seriously wasted, we suggest drilling and gauging.

697. In order to ascertain the remaining thickness, I suppose?—Yes.

698. Then all the causes you have named can be guarded against, at least explosions can be guarded against by proper inspection?—Most of them can. You cannot guarantee that an attendant shall not make a mistake. Two out of three explosions in our company have been owing to the attendants; that happens continually. One came from overloading the safety-valve, contrary to the instructions of the master; another was from deficiency of water through the attendant not attending properly to the feed supply.

699. How many inspections per annum do you think are necessary to provide against such casualties; I mean the inspections by your association?—We think that the boilers should be visited periodically, about three or four times every year; but we desire that at one of those visits we should have what is called a thorough inspection; that is to say, the inspector would get inside the boiler, and creep up all the flues, and examine the interior and exterior of the boiler in every part that was accessible. But external inspections are valuable; sometimes we can see how a boiler is being worked in the usual way; we see whether the attendant is firing and feeding the boiler properly; whether the fittings are kept in order; whether the safety-valve is at the usual point, or whether he has got extra weight on it. We sometimes find fire-bars or lumps of iron attached to the safety-valve, which is quite wrong.

700. Have you any difficulty in inducing parties to have their boilers inspected?—We have in some cases a great difficulty. Some parties appear to have great confidence in their own arrangements. Many good and very careful firms employ a skilled engineer.

701. Mr. *Cawley.*] Is that difficulty experienced with firms who are insured with you?—No, with firms who are uninsured. I understand the question to be whether we find a difficulty in getting people to place boilers under inspection, and I say that with many people we do find that difficulty.

702. *Chairman.*] But having insured their boilers, are the parties satisfied, then, and do they place difficulties in the way of inspection?—We find that the best firms are the most ready to meet us, but there is a difficulty. We find great difficulty in inducing parties to meet us, as they should do. Our anxiety as a company, and our board of directors second me very well on that point, is that one inspection should be thorough and complete, and that we should have no explosions if possible, but we find very often that when we have arranged with firms to have a thorough inspection, and when our inspector goes there, there is no preparation for him. If we complain, they are offended sometimes, and so we cannot tell the condition of the boiler.

703. Are they satisfied when they have insured the boilers?—Some of them are insured for so small a sum that if an explosion occurred the insurance

insurance would not cover the loss, but the average would be 200 *l.* on each boiler, taking them all through.

704. Taking a thorough inspection, and two or three general inspections, what would it cost?—It depends on the number of boilers. If it is a single boiler at one place, it would cost us from about 17 *s.* to 20 *s.* per annum.

705. That is to say, taking the average of boilers?—Yes.

706. Would that include travelling expenses to and from the place?—It would, in those districts where we have a local inspector. In some of those cases we have to incur travelling expenses to and fro. In other cases the inspector is on the spot.

707. Do all the boilers enrolled with you receive one through inspection every year?—They do not. Sometimes we have a great difficulty in getting people to prepare for an inspection. We go into many districts, and the inspectors take their rounds regularly, and with many of those firms we give them notice on a proper form that we have for the purpose, requesting them to prepare their boilers for a thorough inspection; but we often find that they disregard the notice. Many of them only stop, perhaps, at the local holidays, and they all come clustering in at once, wishing us to inspect them all, just when it is impossible. But if they would meet us we should be able to make a thorough inspection once a year.

708. You consider one thorough inspection necessary both inside and outside the boiler, in order to make it safe?—Yes; once a year, a thorough inspection of each boiler is desirable.

709. What proportion of the boilers insured receive such inspection from you?—I should say nearly half of them.

710. What becomes of the other half not inspected?—They are externally inspected; and some of them internally, perhaps.

711. But that is not such an inspection as would enable you to judge thoroughly of the state of the boiler?—Not thoroughly. I may say that we act in various cases according to our knowledge. In some cases we can judge pretty accurately from the external condition of the boiler, and knowing the quality of the water used is a great point. We have a clause in our policies by which we can demand a thorough inspection, and we have had to give up insurances, because the parties would not meet us.

712. Do you think that the inspection should be compulsory?—Yes.

713. How would you propose to carry it out?—I think that a system of general registration would meet the difficulty. By issuing notices, and advertising the fact to all boiler owners, that they would be required to register every boiler in use on their premises, whether used regularly or occasionally; and that they should be required to register within a specified time, under a penalty. A form of return should be prepared, which those owners should fill up, giving the description, make, age, pressure per square inch load on the safety valve, of such boiler, with its approximate dimensions, and a description of the repairs done within the last twelve months; and also stating how used and worked, and if in good working condition, according to the owner's or user's knowledge at the time that the return is made. I think, also, that this return should be signed by the owner or user, or by his manager, and that it should be forwarded to the registrar in each town or district, and that this return should be accompanied by the engineer's report on the last inspection, stating the condition of each boiler. This report should be on a form provided for the purpose, consisting of simple answers to a limited number of queries relating to the description and dimensions of the boiler and fittings, when and how examined, and the state of the boiler and fittings at that time; the form should include such questions as relate to the general safety of the boiler, including the attention that is given to it. In order that the registrar may understand the report without difficulty, queries should be put at the foot of it, such as "What is the general condition of the boiler?" to which the examiner would write "good," "moderate," or "bad." If the examiner pronounced the boiler bad, or dangerous, he should state his reasons, so that any man practical, or non-practical, could understand it at once. I think also, that there should be a query to this effect, "Do you think the boiler is safe as it is at present worked?" To which he should reply, "yes," or "no." If the latter, he should state his reasons for such decision; I think also that the form for the return should contain also brief instructions with regard to the necessary preparation for a thorough inspection which the owners would be expected and required to make; that I think is very important; I mean that they should be required to make a proper preparation for the inspection, as I stated before. We find owners who will not go to the trouble, and who would rather give up the insurance and take the risk, than go to the trouble of spending 5 *s.* or 10 *s.* to clean out a flue for us.

714. From whom should those inquiries emanate in the first instance; you say that notices should be issued with those returns?—Yes.

715. By whom should they be issued?—I think that parties should be appointed in each town or district, or county, who should be called registrars of steam boilers, to whom those returns should be made, and that they should receive them and file them, looking them over, and noting which boiler was reported "good" or "bad."

716. Who should appoint those registrars, in your opinion?—The local authorities under the supervision of the Government; if the local authorities did not proceed to appoint a registrar, Parliament might appoint one, and charge to the district the expense.

717. In fact, if the local authorities did not do it, it should be competent to the Government to take it into their own hands?—Yes.

718. Mr. *Hermon.*] Do I understand you to say that this return or report may be made by the owner's own engineer?—Whoever examined the boiler should send in a report to the owner, and the owner should send in this report with the annual return on registration, so that the registrar may see whether the boiler is in good or bad condition. The registrar need not be an engineer to understand them, if they were properly worded.

719. *Chairman.*] Would you propose any penalty in case of failure of complying with those conditions or regulations?—Certainly; the inspection would not, in fact, be compulsory without that; but I think, perhaps, if the adoption of a more stringent inquiry and investigation into each explosion were carried out, and if an engineer of special experience were engaged to examine every boiler reported upon, and the

Mr. *H. Hiller.*
30 June 1870.

owner were made responsible for the consequences of explosions, that would have the effect of stimulating the owners to take up all the means within their reach of having their boilers inspected by competent people.

720. Who would be the parties to authorise certain persons to inspect the boiler?—I think that a suitable extension of the present organisations would quite meet the matter. There are two insurance companies who extend their operations from John-o'-Groats to the Lands End. The Manchester Association has a large connection in various places; and then there is the Midland Company, who inspect and insure chiefly in the midland counties and the north of England. Those organisations are quite equal to the work if they should be called upon to do it; but, at the same time, it would be unjust to compel a firm to join any company against their will; therefore, I think, that respectable firms of engineers or boiler makers might be authorised to undertake inspections through their men; but they should be required to produce a certificate of competency showing the practical experience of boilers which those men possessed, and those men should be required to write their own reports, upon which the members of the firm, or their manager, would report to the owner. I think it desirable that no independent party should be permitted to assume the responsibility of inspection on his own account. All the inspectors should be supervised by their own employers; either the heads of engineering firms or the insurance companies, and the firm themselves (the employers, I mean), should report to the owners of the boilers, and that would give status and responsibility, and authority to the report. At the same time I do not think that any inspection, whether undertaken by Government officials, by a mutual association, by insurance companies, or by engineering firms, should profess, or should be allowed, to supersede the regular inspections made by the agents or by a firm of engineers.

721. That is to say, you would not remove the responsibility from the users of the boilers?—Just so; I mean those inspections to be simply a check on negligence, and to act as a stimulant.

722. Some of the associations have been in operation 14 or 15 years, have they not?—The Manchester Association, with which I was formerly connected, have been in operation ever since the year 1855.

723. Throughout the country generally there are only about 20,000 boilers enrolled, either with insurance companies, or any other companies; that is the extent of it, is it not?—Yes.

724. There are not more than 20,000 boilers enrolled?—The number is under 20,000, I think.

725. Does not that appear to you a very small number considering the advantages offered by the different associations?—Yes, it is a small number.

726. And considering, too, the number of years for which they have been in operation?—Yes.

727. I suppose that is another reason why you would say that the inspection should be made compulsory?—Yes; there are certainly some reckless people who would rather not have their boilers inspected.

728. Mr. *Cawley.*] It looks as if that were the case with the majority of them, does it not?—No; some respectable firms inspect by their own engineers, who are really good competent men, and who do their work well; but even they should be supervised by some one, because I have known cases where the boilers of a first-class firm were placed under our inspection, we have been able, from our special experience, to give them very useful information.

729. *Chairman.*] I know from my own experience, that a great deal of stress is laid on the importance of the fusible plug, as a preventive of explosions; are they of any further use than to prevent boilers exploding from shortness of water, and preventing the plates becoming heated and consequently weaker?—I only recommend the fusible plug to what we call internally fired boilers. Their only advantage is to prevent accidents from deficiency of water. Our company have the patent right of the fusible plug, of which I have a specimen here (*producing the same*), which we recommend strongly, because we have found it very efficient.

730. Dr. *L. Playfair.*] At what temperature does the fusible plug melt?—It is regulated according to pressure. Our ordinary plug melts at a temperature of about 350 degrees.

731. *Chairman.*] That means about 70 lbs. pressure, does it not; 300 degrees being about 50 lbs.; but of course you would get a higher temperature when there was no water in contact with the plate?—Immediately the water falls below the furnace crown, the temperature soon rises, and if there were no low-water valves, or no alarm whistle, no fusible plug, or anything to call attention, the boiler would get so hot that the pressure would distort the plates, and some times lead to an explosion.

732. Mr. *S. Hill.*] Will you permit me to look at that fusible plug?—Yes (*producing the same*). The peculiarity of this plug is, that it is formed of two cones, one inside the other, and those two cones are united by the fusible metal.

733. What is the fusible metal?—It is a mixture of metals, tin and lead or bismuth, or something else; and it is fixed on the top of the furnace. The internal cone is simply soldered to the outer one, and when it is fused out there is an opening through which the steam rushes. When the boiler becomes short of water, the soft fusible metal which unites the cones is melted, and the inner cone falls away, leaving a large clear opening, through which the steam rushes, and extinguishes the fire, thus saving the boiler from injury.

734. Mr. *Lancaster.*] The lowest temperature, you say, is about 350°?—Yes.

735. The plates are not very much weakened even at twice that heat, I suppose?—Sir W. Fairbairn's experiments show that a flue heated to 400 degrees, scarcely shows any perceptible diminution of strength.

736. Have you ever known a collapse to take place from shortness of water with one of those fusible plugs?—Not with this plug. We bought the patent, and with boilers that are insured with us, we take care to see that the plugs are clean, and whenever due attention has been given to the plug we have never had a case in which it has failed to act.

737. *Chairman.*] Is there anything further which you wish to state to the Committee?—I think, in any legislation on this matter, it may be desirable, not merely to require the owner of the boiler to make due preparation for a thorough inspection, but I think that in future it should be made

made illegal to set any boiler with flues of such a size that they cannot be entered for inspection. A boiler may be so placed and so fixed as to work quite as economically with flues so made that it may be properly inspected just as well as those which are made so contracted. I think the law should deal with that matter. We meet with boilers that have been at work for seven, eight, or ten years, and the flues are so small that no one could inspect them.

738. You speak now with regard to brickwork flues more particularly, do you not?—Yes; I think the owners in every case should be required so to set their boilers that the flues may be entered for inspection, or, at all events, that they should leave such openings as would enable anyone to inspect them, otherwise we shall never have done with these explosions from external corrosion; there are several points in that direction which I think, without interfering with the progressive improvement of steam boilers (which I think would be very objectionable), might be enforced generally, so that defects which arise after a boiler has been set to work may not be overlooked.

739. How would you define the class of boilers that should be placed under inspection?—I would say that all steam boilers used for manufacturing purposes should be under inspection; I do not include in that, circulating boilers for household purposes; but all boilers constructed as ordinary steam boilers are, and working under steam pressure. I would even take those of one-horse power, many of which are working in little out-of-the-way places. People are scalded through little explosions which we never hear of. My idea is, that there are 25 per cent. more explosions than I have got recorded in my return.

740. Dr. *L. Playfair.*] I think in your plan you do not seek to remove private inspection, or private responsibility?—Certainly not.

741. And the steam user is still to have his private inspection?—Yes.

742. But in addition to that, you wish responsible public inspectors also to be established?—Yes.

743. What inducement do you give to the steam users to come into this scheme; they do not seem to have any advantage by your plan; it is simply arbitrary compulsion for the protection of the public; that is all, is it not?—Yes. The compulsory inspection is for the protection of the public and the workpeople.

744. And you give the steam users no advantage by associating together, in order to induce them to co-operate with the law; but it is simple and absolute compulsion, is it not?—I look at it in this way; I do not think it is necessary that people should be compelled to have a periodical inspection; but I think there should, at least, be one inspection per annum, made by an independent individual. In twelvemonths, of course a boiler may alter very much; it is therefore to the interest of the steam users, and the public, and the workpeople, that those boilers should be supervised by some one on the spot, who would detect any little thing that was wrong.

745. You spoke of three or four inspections per annum as being necessary; do you intend the three to be private inspections, and one only to be made by a public inspector?—Our inspections we consider desirable three or four times a year; many parties insured with us have only one or two boilers; those men are not perhaps engineers, and we think it desirable that they should be compulsorily supervised, to see how they are working the boilers. Even in case of large firms, it acts as a stimulant to the engineer.

746. But if a boiler requires to be inspected three or four times a year, how often is the public inspector to do it?—Is he to do it only once, or three or four times?—I think the public inspection ought to be made only once a year, but it should be a thorough inspection.

747. Mr. *Hermon.*] You say that a good many of those explosions arise from external corrosion?—Yes.

748. And that they partly arise from the manner in which the boilers are set in the brickwork?—Yes.

749. Can you suggest any better plan of setting them, because the boiler must rest on something; and, as a rule, I fancy they are not placed on more brickwork than is necessary, or that there are no more plates covered with brickwork than is necessary?—It is the fact that in many cases the seatings are excessively broad. I have known a boiler 5 or 6 feet in diameter, with a 4-feet wall under it, whereas two walls of about 3 inches broad would have carried it.

750. But if that brickwork is perfectly dry when the boiler is set, would that remove the difficulty, or does it arise from leakage?—If leakage occurs, it acts on the boiler when the brickwork is so broad, and corrosion goes on until the plate is so thin that perhaps a man strikes a hammer through from the inside when cleaning it, or an explosion occurs.

751. You spoke of the steam users refusing to make the preparation for those periodical visits or inspections; under those circumstances, you would require the boiler to be stopped, would you not?—Yes, for the annual thorough inspection.

752. Therefore once a year the owner must stop his works during that examination?—Yes.

753. Have you seen that in recent inquiries before coroners' inquests a great many of those explosions are attributed to accidents?—Yes.

754. Do you agree with the general tenor of those verdicts?—Certainly not.

755. Do you think that the explosions arise from causes which, with proper precaution and inspection, could be avoided?—Certainly; there is no mystery about that; they arise from plain causes, which could be detected if a proper opportunity had been given for inspecting them.

756. Mr. *Birley.*] You have stated that many explosions occur from defective construction?—Yes.

757. Would you propose to place the boilermaker under compulsory inspection as well as the boiler user?—I think not; it is rather an awkward question. I think if the owners were made responsible they would not be tempted to go to such cheap men for their boilers.

758. Would you have a boiler inspected as soon as it is set up, and before it is used?—Yes.

759. And condemned if it were faulty in construction?—Yes, I think so.

760. That is to say, before any boiler was permitted to work you would have it inspected, and condemned if the construction were faulty?—Yes.

761. What do you propose should be the qualification of the inspectors; should they have certificates?—My scheme is that the firm should be

Mr. *H. Hiller.*

30 June 1870.

be responsible; in the case of those inspectors I propose to hold the firms, their employers, responsible. Supposing Messrs. Petrie, of Rochdale, who are an engineering firm, for instance, undertake to inspect boilers for their customers; they know the character of the workmen on the premises, they know who are intelligent and who are not, and they would instruct those men how to proceed; those men would make inspections and make returns to their masters. Now I think that a first-class engineering firm would be very good judges with regard to who would be competent to make those inspections, especially if (as I think is desirable) the Government were to issue some general instructions on the point, founded on the experience of the three insurance companies and the associations.

762. But you take no public security with regard to the qualification of the inspector, do you?—I would take the character of the firm; they would think it such discredit if they gave wrong advice, that they would take proper care in the matter.

763. How would you secure the responsibility of a firm?—Their general character in the district or the country would be sufficient, I think; I think there are plenty of firms whose characters are generally accepted as respectable.

764. Would your company insure a boiler to any extent; that is to say, beyond the value of the boiler itself, in order to cover injury to buildings?—We do not generally exceed 500 *l.* on any boiler, which covers the surrounding property.

765. Would you do it if you were asked?—We have done it on locomotive boilers sometimes; but we have not included the surrounding property with them.

766. Colonel *Gray.*] You do not appear to be much in favour of the Government taking the responsibility of this inspection?—No, I am not.

767. You prefer its being in the hands of the local authorities?—I think the Government should exercise what I may call moral compulsion, by insisting upon those returns, which I have already mentioned; and I think that would lead to what we desire without establishing an expensive machinery, such as a Government set of chief inspectors and sub-inspectors, throughout the country; it has not been found to work well in other countries; such an inspection must be bound by routine.

768. What other countries do you allude to?—I refer to America, for example; I have a paper here, published by an insurance company in America.

769. Is that a boiler insurance company?—Yes, the Hartford Insurance Company; that is on similar principles to ours; and their inspections are allowed to supersede those made by the State. In Germany, they have adopted a similar principle, and last year a gentleman from Holland, one of the officers of State in the Dutch Parliament, called on me with regard to this matter; he said that the Government rules are very arbitrary indeed, so arbitrary, that they prevented people doing what was really safe and reasonable; in fact, I know that boilers which would have been passed here, have gone on to the Continent and been rejected, because they did not happen to have a certain thickness of plate; no notice was taken of the quality of the plate, whereas scientifically, they might be very strong boilers.

770. Can we judge of the effect of a Government inspection here from what takes place on the Continent?—There is some difference, no doubt.

771. You think that there should be a thorough inspection once a year, and yet it appears from your own statement that only half the number of boilers insured with you have that inspection; is not that so?—Our business is not concentrated. Take, for example, the different associations and insurance companies; when I was with the Manchester Association we had great difficulties in getting a thorough inspection; in fact, there was no incentive, but when they adopted the guarantee principle they obtained a lever by which they could enforce their rules. They have weeded out the malcontents, and they have got a connection of parties who are willing to inconvenience themselves in order that the boilers may be inspected; but we have to go into districts where people are not, so to speak, educated in this manner, and they do not appreciate our inspections as they should do. They look upon a thorough inspection as a great hardship; they would rather throw up the insurance than let their boilers undergo an inspection; and that is the reason why thorough inspections are not more numerous.

772. You have ben asked questions about insuring buildings; is there any insurance effected with you for compensation for loss of life?—No, we do not take insurances for loss of life. We have only had three lives lost in connection with boilers insured with us since our establishment six years ago, so that we have been very fortunate, which I attribute to our careful inspection, while in the same period about 350 explosions have occurred in various parts of the country, causing the death of 463 persons, and serious injury to about 620 others, so that I think our results will compare favourably with those of any other office.

773. Mr. *Cawley.*] You expect, as I gather from your evidence, that respectable firms would be willing to become inspectors, and would inspect through their men, but they are themselves to be the responsible parties, and the parties to give the certificate?—Yes; they would be paid a certain fee for the inspection.

774. For what kind of fee do you think a leading firm would be willing to stand before the public as responsible for the safety of a boiler in which they had no interest whatever?—Many firms who have made the boilers, actually undertake the inspection of them.

775. The boilers that they had made themselves?—Just so.

776. But the Committee, I think, understood you to say that they were not to be the inspectors of their own boilers?—That question was put to Mr. Thompson, and I think he meant boilers in use on their own works, not boilers made by themselves. I should say that they ought not to inspect their own boilers, but the boilers that they have made for other parties.

777. You think that they might inspect boilers of their own make?—Yes, they might inspect the boilers which they had made for other firms.

778. But take other firms who, under your classification, would not be respectable, and who make boilers; who is to inspect their boilers?—I believe that any engineering firm would send a man to inspect boilers, if requested to do so, and paid for it.

779. Do you think that that would work satisfactorily with the leading firms in Manchester; take Messrs. Galloway's, or any of those firms who are considered respectable, and suppose an inspector went and condemned another maker's boiler?—Yes; I think it would be satisfactory; they would give their reasons for condemning a boiler if it were unfit for use.

780. Satisfactory to whom?—The owner of course would not be satisfied if he thought he had got a good boiler, and found he had a bad one.

781. Do you think that a certificate of that kind would be more effectual in the eyes of the public than of an independent person?—By an "independent person," I mean an irresponsible individual.

782. The responsibility would be the same in both cases, would it not?—If we were to let independent persons inspect on their own account, that would not do.

783. But take the case of an inspector appointed by some qualified tribunal, independently of the parties using or making the boilers, how would that work?—Does the honourable Member mean an inspector appointed by an association, or by a company, or by the Government itself?

784. I mean an inspector appointed by the Government or some local authority. The inspectors appointed by the association of steam users who are merely voluntarily associated together for the purpose of securing their own boilers and the insurance company, who are a trading company, may have an interest in inspecting boilers, but I do not look upon them as independent. You think that an inspection by a firm in the trade of another trader's boiler, would be as satisfactory in the eyes of the public as that of an inspector appointed, as the factory inspectors and the inspectors of weights and measures are appointed, do you?—That might be open to abuse sometimes, but in any case of difficulty they could have recourse to the authorised inspectors of the insurance companies and associations, who inspect at about the cost price without insurance.

785. But the association's inspection extends only to parties who are willing to have their boilers inspected; and according to your evidence the large majority do not choose to have their boilers inspected; and we assume that to include the very parties who most need inspection; is not that so?—Yes; but I think that a great many people who are now averse to insurance would place their boilers under the inspection of the existing companies, knowing that they could not get it done more cheaply or reliably elsewhere, so that the difficulty would be met in that way.

786. What fee would induce a respectable firm to undertake this inspection, do you think?—I have known firms undertake it for 10*s.* a boiler, and others a guinea for a single inspection.

787. Now about this last explosion of a boiler near Middleton Junction of the Oldham branch of the Lancashire and Yorkshire Railway; did you state that this boiler was insured by your company at one time?—Yes.

788. Do you remember at what pressure you insured that boiler?—I noticed when Mr. Thompson gave his evidence this morning, that he made a mistake. He said that we refused to insure this boiler. The facts are these: About 15 months ago, in March 1869, I think it was, the firm were altering their engines and putting up high pressure engines, and they proposed to increase the pressure to 60 lbs. We asked for a thorough inspection of the boilers, and we had a thorough inspection of two of them. The boilers had been insured up to 50 lbs. pressure with us previously. Two of the boilers were nearly new, and made by the Messrs. Galloway. We were most anxious to get the old boilers inspected first, which we did. They then commenced to work at a pressure of 60 lbs. But we asked for a thorough inspection of the other two boilers. We named Whitsuntide, 1869, as the time when they might afford us an opportunity; but instead of giving us any chance of a thorough inspection, the insurance was withdrawn. The old firm, I believe, failed, and the mill passed into other hands, so that we lost all responsibility. They did not give us an opportunity, and withdrew the insurance; and since that time I believe the boilers have been worked up to 70 lbs. pressure.

Mr. *H. Hiller.* 30 June 1870.

789. But do you recollect what the pressure was which your association reported that the boiler was fit to bear; the boiler that was exploded, I mean?—We believed it was fit to bear a 60 lbs. pressure, at the same time we asked for a thorough inspection.

790. Are you aware of the evidence given at the inquest?—Yes.

791. You know that Mr. Harman has stated that it was reported, I do not mean by you, but by your association, to be safe at a pressure of 60 lbs., and that he stated on oath?—Yes.

792. Are you also aware that Mr. Charles Galloway has stated on oath that the boiler was made only to bear a pressure of 40 lbs.?—No, I was not aware of that.

793. Mr. Harman stated that your association reported it was capable of bearing 60 lbs., and that it was insured at 60 lbs.; you are aware of that?—I will tell you how that arose; it is only just to our association that I should do so. We had a man in our employ who examined that boiler; he took the dimensions of it, and he made a mistake in the thickness of the plates at that time. I discharged that man for carelessness. We wanted a thorough inspection in order that we might verify those dimensions, but the opportunity was never afforded us.

794. You certified or reported, whichever it was, without a thorough inspection, that it was capable of working at 60 lbs. pressure?—Without a thorough inspection immediately. That information which was given to Mr. Harman was given to him as private information.

795. Colonel *Gray.*] Were the two boilers made at the same place, and of the same age, and the same in every respect?—All the four boilers were made at different places, and times, I think.

796. Mr. *Cawley.*] This particular boiler that exploded is said to have been made so recently as the year 1866, by Messrs. Galloway, is it not?—Yes, I believe it is.

797. Therefore it was not an old boiler?—No; I was told that when they did not renew their insurance with us they went to Messrs. Galloway, and that they have examined the boiler since, and certified it.

798. The evidence is also that the boiler had been working up to a pressure of 70 lbs. or even 74 lbs., so you would not wonder at the explosion, would you?—No.

799. But

Mr. *H. Hiller.*

30 June 1870.

799. But I want to know the fact, whether you had reported it to be safe, and insured it at a pressure of 60 lbs., when the maker has only taken it at 40 lbs.?—We were never informed of that.

800. You have stated that you have dismissed the man whom you had employed?—Yes, we dismissed him because he was unsteady, and he misled me about that boiler by returning a wrong thickness for the plate. We are exposed to mistakes in that way.

801. Do you think that a respectable firm might not send a man who could be no more certainly depended upon than that man of yours?—Any of us might be mistaken; I know that the association have had to change the men sometimes in consequence of their not being satisfactory; all of us are apt to do that.

802. Mr. *Lancaster.*] You said that explosions most frequently occur at collieries and iron works?—Yes.

803. And you say that it arises principally from the effects of bad water?—Yes.

804. And you also condemn the class of boiler, called the plain cylindrical boiler?—No; I did not exactly condemn the cylindrical boiler, but I say it is not quite so safe as the internally fired boiler.

805. Will you be kind enough to explain that to the Committee?—When those seams over the furnace fracture, there is nothing to hold the boiler ends together, and the boiler parts into two or more pieces, or if there is a seam exposed to the heat over the furnace, that is in a state of tension, if it is longitudinal; and where it is fractured of course the rent commences, and may extend to other plates, and culminate in an explosion.

806. Would that be mainly from bad water, or from irregularity of supply?—Yes; if a boiler be irregularly fed, the water first up and then down, the boiler would be alternately hot and cool; that will all tend to the same result.

807. That applies to all boilers, does it not?—It applies to internally fired boilers, but you have not the same result in a tube boiler; it will only lead perhaps to leakage if the tube is properly strengthened against collapse.

808. You put down a large number of the boilers as failing from corrosion?—Yes.

809. That applies principally to flued boilers, they are more liable to corrosion than those externally fired boilers, are they not?—No, they are not more liable to corrosion; it is because the flued boilers are generally set with external flues, and placed at a lower level; the shell of the boiler is at a lower level, and is thus more likely to be damp on the seating, and owing to the broad seatings leakages often take place which lead to a fracture.

810. You have said that it is an important point in the construction of a boiler that you should have good plates?—Yes, I think every plate should have the maker's name, and the quality of the iron stamped upon it.

811. You are aware that Government, as well as all railway companies, in making bridges and other works, stipulate that the iron shall be of a certain strength?—Yes.

812. There is no difficulty in having that strength ascertained, is there?—No certain plates are known to average a certain strength. They have testing machines for the purpose.

813. Twenty tons to an inch is a fair average for a boiler plate, I think?—Yes, that is what we call a good Staffordshire plate.

814. There is no difficulty in manufacturing that kind of plate all over the country, is there?—No, certainly not.

815. Under the head of malconstruction you also class the setting up, in a defective manner; that would all come under that head, would it not?—It is not exactly so, perhaps.

816. First of all you say that before a boiler should be set to work you would have a certificate that it was properly constructed?—Yes.

817. The setting up of that boiler, with all its fittings, would form part of that arrangement; if there was any defect in the setting, or in the walls, and so on, that would all come under the head, whether it should be certified or not, would it not, before it began to work?—Yes; I think it is desirable that the setting should be included.

818. You attach great importance to the certificate that the boiler is properly constructed and set up before it is set to work?—Yes; I attach great importance to the certificate that the boiler is properly constructed and set up before it is set to work.

819. You say if that were so it would have saved, as I gather from your report, 15 per cent. of the explosions?—I cannot say exactly what per-centage of the explosions it would have saved, but at all events it would have saved some of those explosions from external corrosion.

820. In other words, one-sixth of the explosions would be prevented by a thorough inspection previous to setting the boiler to work; can you answer that question?—I should hardly say as large a proportion as one-sixth.

821. *Chairman.*] At all events, it would materially decrease the chance of an explosion, if those things were provided for in the first instance, would it not?—Yes; I should say it would decrease the chance of explosions at least 5 per cent.

822. Mr. *Lancaster.*] But does not your table imply, that if a thorough inspection took place previously to a certificate being granted, it would remedy that difficulty and lessen the explosions by 15 per cent.?—Say from 5 to 10 per cent.

823. I am dealing with cases of mal-construction?—With regard to the mal-construction of the boiler itself, I should say that 90 per cent. of the cases might be prevented.

824. Sir *T. Bazley.*] Will you be kind enough to inform the Committee whether in many cases your plugs have fused or not?—Yes, in a great number of cases; I should think that they have saved 100 boilers at least from damage since we got them generally adopted. I have reports here, referring to a dozen cases which I picked out haphazard; in some cases, the boilers got short of water during the night; in other cases, the men were negligent, and in other cases, the water-guage was broken.

825. Do you know of any case in which your plug has failed, or an accident has happened?—No; not since we got them into general use, and got the manufacture of them into our own hands.

826. Mr. *S. Hill.*] With regard to the explosion at Middleton, did you certify that that boiler could be worked at 60 lbs. pressure?—We accepted it at 60 lbs. pressure.

827. You insured it at that pressure, did you?—Yes.

828. When

828. When was that?—As near as I can recollect, it was the beginning of 1869.

829. When did you find out your mistake and dismiss the man?—We did not dismiss the man in consequence of that; but if we had known that, of course we should have called attention to it at once.

830. Your dismissal of the man was for other negligence, was it not?—Yes, for other negligence.

831. Was it for negligence of a similar character that you dismissed him?—I cannot recollect an instance of a character like that; I know that it was for general want of care he was dismissed.

832. Mr. Thompson said, in his evidence this morning, that you could give me some of your reports of inspection?—Yes, I have some here (*handing some reports to the honourable Member*). Those are some which I have just taken out of our ordinary reports. We take every particular of a boiler when they give us a thorough inspection showing every stay of the boiler, the dimension, the thickness, and so on; in an external inspection our inspectors are instructed to take every particular that they possibly can. In the case you refer to, the man returned a seven-sixteenths of an inch plate, whereas it turned out to be three-eighths of an inch, they not giving us the thorough inspection which we asked for, we were not able to verify it.

833. What would be the expense of making an inspection, as complete as this, with this well finished sketch, and with all the details?—It could not be done under 15 *s.*

834. It would not cost more than that, you think?—No.

835. Could you make the inspection, and make this drawing, and this report, for 15 *s.*?—Yes.

836. What inspector made this report?—Mr. Billington, he is our Sheffield inspector.

837. He went from Sheffield to Halifax then?—Yes. Those people had seven boilers insured, and at the time he made this sketch he would have inspected a lot more boilers which would be in the district.

838. But he would not have an opportunity of inspecting seven or eight boilers at the same time, would he?—That was in last December.

839. How many of those thorough inspections similar to this were made by your company in the course of last year?—I cannot say.

840. Can you tell me about the number?—Seven hundred or 800, perhaps. You must bear in mind the number of boilers that are insured; but some of them had not been insured with us long. Some of them we have not had an opportunity of so inspecting.

841. *Chairman.*] But you have had 2,000 boilers insured with you for a considerable length of time, have you not?—Mr. Thompson, I think, did not quite understand your questions. We are continually having new boilers proposed, and other firms discontinuing their insurances.

842. But you have 2,000 boilers under your inspection?—We have now; but the Christmas previous to that we had 1,500 or 1,600.

843. Mr. *S. Hill.*] I thought you never insured a boiler until it had had its first inspection; I understood that from Mr. Thompson.

Mr. *Thompson.*] I said that we never insure a boiler until we have seen it.

844. What kind of inspection do you make before you insure a boiler?—(*The Witness*).] The inspector examines it as far as he is able to do so, and takes particulars of all the fittings, the load on the safety valve, and everything he can get from common external inspection. If we are satisfied, after the inspection, that the boiler is in a safe condition, we take the risk.

845. You may have on your books at this time a very considerable number of boilers then that have never been thoroughly inspected at all?—There are some boilers, no doubt, which have not been so inspected at all.

846. Fifty per cent. of them, probably?—No; you would find that some of our boilers that were examined perhaps in the middle of 1868, may not have another inspection until 1870.

847. Can you tell me then what per-centage of the boilers which you have on your books have never been inspected?—Perhaps about 15 per cent. that have never been thoroughly inspected.

848. I mean anything more than an external inspection?—Yes. I now produce another report of a very intricate boiler (*producing a paper with a drawing*).

849. *Chairman.*] In this case, there are two tubes for the length of the fire-place, and an oval flue with a number of Messrs. Galloway's tubes?—Yes.

850. Mr. *Pim.*] What is the pressure used in these colliery boilers?—I do not think the pressure in those collieries exceeds on an average above 35 lbs. on the square inch.

851. It results from that that it is not high pressure that is the great cause of the explosions, does it not?—Not in those cases.

852. Do you think that accidents arise most frequently from want of knowledge on the part of the collier?—Want of knowledge which produces want of care; it is ignorance, ignorant negligence, I should say.

853. Of course, if it be ignorant negligence, it is still negligence?—No doubt it is negligence and want of care that causes the greater number of those explosions.

854. I think you would not except from inspection any boiler on account of its size, if it was used for industrial purposes?—I think not; I would not except any one.

855. That would include locomotive boilers on railways; and perhaps you would include those moveable boilers which are conjoined with engines; say, for instance, many of those which are used for agricultural purposes?—Those would require special legislation almost, you cannot get inside them; the railway companies themselves have better opportunities than any ordinary inspector would have, except when they have the boiler in the shop and had the tubes out; but it is almost a haphazard system caused by the peculiar construction of the boilers; most of the explosions in locomotive boilers occur from the thinning of the plates consequent on corrosion, and the action of the water near to the riveted seam, and those, of course, may be reduced a great deal by superior construction. But at the same time it is impossible to have a criterion, except, perhaps, by applying the hydraulic test of the condition of a locomotive boiler.

856. It results from that that there would be a great difficulty of inspection with regard to railway locomotive boilers, and certainly with regard to those moveable boilers which are not set and are used with engines, such as those for agricultural purposes?—Yes, there would be a great difficulty

Mr. *H. Hiller.*

30 June 1870.

difficulty with regard to railway boilers especially, because of the engines moving about, and the peculiar character of them; but with regard to other boilers, if even only an external inspection were made, it would be valuable, because they are so often negligently worked with such defects existing that anyone could see them with only an external inspection. We had some proposed for insurance lately where the fire-box in three out of four of the engines were distorted from want of water, or the accumulation of sediment from the water.

857. Are there many establishments worked now with a single boiler?—Yes.

858. If a thorough examination were made it would be necessary to stop those establishments for some length of time, would it not?—Certainly, it would be necessary to stop them for a couple of days.

859. Colonel *Gray.*] Have you any boilers used for agricultural purposes insured in your company?—Yes, we have.

860. Have you many?—Not many. We do not cultivate that business, because there is such difficulty in obtaining an inspection of the boilers.

861. Mr. *Lancaster.*] You would not recommend the inspection of locomotive boilers of railway companies; you think that the railway companies can do it better themselves?—Yes, under present arrangements most certainly.

862. You would not apply your rules to railway companies' locomotive boilers?—No; except in explosions. If anybody was killed I would have an inquest held.

863. But you would not fix the same rule for locomotive boilers worked on railways as for other boilers?—I think not.

864. *Chairman.*] Did you not say that it was a haphazard system on railways?—It is rather haphazard. You cannot see inside the boilers, and they work on for a number of years until the tubes begin to leak.

865. Mr. *Lancaster.*] Can you suggest a better plan of inspection than that adopted by the present railway companies?—Not without incurring great expense.

866. Mr. *Hermon.*] You make examinations on Good Fridays and Christmas-days; did you ever do it on Sundays?—I never compel that.

867. But does your staff ever do it?—I do not think we have made an examination of above three or four boilers on Sunday since our company commenced.

868. *Chairman.*] Have you anything further to state to the Committee?—At inquests, in cases of explosions, I think there should be a strict investigation into the cause of every explosion; I think that a strict investigation by a competent engineer, would cause parties not only to have their boilers inspected, but to see that the preparations for the inspections were really of a satisfactory character; I think that at every inquest, there should be the evidence of some engineer; I do not wish to put myself or my brother chief engineers forward, but I think that some one with similar special experience in these matters ought to be called upon to give evidence.

Monday, 4th July 1870.

MEMBERS PRESENT:

Mr. Armitstead.	Mr. Hick.
Sir Thomas Bayley.	Mr. Staveley Hill.
Captain Beaumont.	Mr. Laird.
Mr. Cawley.	Mr. Lancaster.
Colonel Gray.	Mr. Platt.
Lord John Hay.	Dr. Lyon Playfair.

JOHN HICK, Esq., IN THE CHAIR.

Mr. WILLIAM RICHARDSON, called in; and Examined.

Mr. *Richardson.*
4 July 1870

869. *Chairman.*] YOU are a Member of the Association of Mechanical Engineers?—Yes.

870. You are also one of the firm of Messrs. Platt Brothers & Co., Oldham?—Yes.

871. You have had considerable experience in the management and working of steam boilers?—Yes, I have.

872. You are a member of the Steam Users Association also?—Yes.

873. And you are on the committee of that institution?—Yes.

874. What number of boilers have you under your own control in your own establishment?—About 40.

875. Have you ever had an explosion in your own works?—No.

876. As a member of the Steam Users Association, naturally, the results of explosions have come at different times under your observation?—Yes.

877. Generally speaking, from what have those explosions proceeded?—Generally from weakness and inattention.

878. And some of them have arisen from defects of construction, I suppose?—That is weakness.

879. And mismanagement in the use of the boilers?—Yes.

880. Is there any other leading cause that you can assign for explosions?—Yes; there is the wasting away by the wear and tear of the boiler, and a great many things that tend to weakness.

881. Will you be kind enough to favour the Committee with your opinion generally with respect to the manner in which these sad catastrophes could be prevented?—They could be prevented by the introduction of tests to try the strength of the boilers. A small hand pump should be applied to the boiler once per annum, or at any other time when there was any sign of weakness, or after a boiler had undergone repair, and that test should be imperative, say at 50 per cent. over the pressure at which the boiler was allowed to work. If you carried out that test perfectly, that boiler would be safe.

882. You think that a test of 50 per cent. would be quite enough above its working pressure?—Yes, I think it would be quite enough.

883. What kind of inspection would you consider necessary?—An entire thorough inspection.

884. That is to say, a thorough examination of the outside and inside of the boiler?—Yes, a thorough examination inside and outside. But the great thing which I would rely upon would be the force pumps.

885. Would you make that inspection and testing compulsory?—Yes, decidedly.

886. How would you do that?—Through the corporation of the district where the boiler existed.

887. You mean the town council of the district?—Yes.

888. You think that they should enforce that inspection?—Yes. Let them keep a competent engineer, in some portion of their staff, who would be ready to inspect and test boilers.

889. Mr. *Cawley.*] You insist more on the value of testing than on the value of what is called inspection?—I do not know the difference between the two.

890. But you would not call an inspection complete without the testing?—No.

891. *Chairman.*] What would you do in case of non-compliance with the instructions of the corporation or inspector?—I would apply the force of the law, just the same as you do in other matters.

892. Do you think that one such inspection a year would be sufficient?—Yes, except a boiler showed signs of weakness; if it did it should be imperative in the user to report to the authority; if it began to leak or had taken any injury, he should at once report to the authorities.

893. Should such an inspection, in your opinion, remove in any degree the responsibility of the parties themselves?—That would bring two minds in to bear upon it; if the parties owning the boiler had not sufficient knowledge themselves, the inspector would assist their judgment.

894. How, in your opinion, should such an inspection be paid for?—The parties who owned the boiler should pay the cost of the inspection, just the same as they now pay for the cost of the boiler; if a firm like ours had 40 boilers and paid attention to the boilers, and did all that was right, so that the inspectors had nothing to do but to come into the yard and see the test put on, I would not charge them as much as I would

Mr. *Richardson.*

4 July 1870.

charge a person with a single boiler four or five miles from the centre of the town.

895. You said that you thought the force pump test would be quite sufficient to ascertain the state in which a boiler was?— Yes, I think so.

896. Of course it would be the duty of the inspector to see that the safety and feed valves were in good order?—Yes, and all the fittings should be tested so that not even lowness of water could arise without giving an alarm to the attendant.

897. What do you think of the idea of a central steam board to appoint inspectors in different parts of the country?—I should call a corporation a central board in its own district. I do not think that any other centres are required.

898. You think that each district should appoint its own board of inspectors?—Yes.

899. Colonel *Gray.*] You think that the corporation of a district should be the authority to enforce compulsory inspection, but there are many boilers that are used in districts where there is no corporation, what would you propose to do in that event?—If there is a county organisation I would impose a duty on them. We have county police and so on, and there are competent men at the head of them to look after boiler inspection.

900. What might the cost of inspection be, do you think?—It would vary very much according to the expense of travelling. I should say that in a town like Oldham, 10*s.* would be the amount.

901. Do you mean 10*s.* per boiler per annum?—Yes; 10*s.* per boiler per annum.

902. But that is much less than what the Steam Users Association charge, is it not?—Yes; but they travel to great distances, and take up a great deal of time in inspection, another thing, they have to give guarantees of restoration in case anything happens.

903. Are your boilers under the inspection of the Steam Users Association?—Only two of them.

904. I understand that they charge a guinea and a half a boiler?—Yes.

905. Of course that would come to a great deal on 40 boilers?—Yes.

906. Are you opposed to the Government having anything to do with the inspection of boilers?—Yes, I am opposed to the Government having anything to do with it.

907. Would it not be better done by a central authority for the whole country?—No, it would not be half so well done.

908. How would the factory inspection be if it were done by corporations do you think?—I think it would be quite as good as it is at present.

909. Would there be any more difficulty in having a Government inspection of boilers than there is in a Government inspection of factories?—Yes, a great deal more.

910. How would it be more difficult?—In factory inspection there is nothing to prepare for the inspector; he has only to come in and see that the mill is going on right; but for a boiler inspection the boiler has to be cooled and taken off and swept clean, so that he can get into all parts of it.

911. But if there were a factory inspector appointed for Oldham he could give notice and tell them when he proposed to inspect, could he not?—But he wants to catch them doing wrong.

912. No, he wants to see that it is all right, does he not?—If they do wrong he wants to find them out.

913. At all events your decided opinion is that it would be better done by the local authorities than by the Government?—Nobody knows better how to do it than the local authorities.

914. Yes, that might be so in Manchester, Bolton, and so on, but in country places it is very different, is it not; take a mining district for instance?—There is no difficulty at all in a mining district more than there is in any other district, if some responsible person is made to do it as a duty.

915. That is what I suggest, the Government should do, is it not?—If you do the thing in the district and enforce it by law you cannot have any better Government plan; we do not want to have to send 100 miles for the Government inspector to come down.

916. Dr. *L. Playfair.*] Are you aware that the co-operation of localities has not been given at all to the Government in carrying the Workshops Act into operation; do you know that it is almost a dead letter throughout the country, and that the localities do not see the necessity for such an inspection, and do not aid the Government in carrying out the Act?—I was not aware of that. We have carried out every suggestion that has been given to us.

917. But the Workshop Act, which takes in places that are not factories, is scarcely in operation in any part of the kingdom, is it?—I do not know.

918. But you mean the Factory Act, do you not?—No, we are under the Workshops Act.

919. Has the town council of Oldham put that Act of Parliament in force in Oldham?—We have the doctor and factory inspector coming to our works, and they obtain answers to all the questions that they ask.

920. Do you know that there are two Acts of Parliament, namely, the Factory Act and the Workshops Act?—No, I do not know that; all I know is that we are under inspection.

921. Mr. *Cawley.*] How long have you been under inspection?—We have been under inspection for two years now, perhaps.

992. You said that you thought 10*s.* would cover the expenses of inspection?—Yes, in our town.

923. Do you think that that would be sufficient where you tested by hydraulic pressure?—Yes, it would be quite sufficient.

924. Do you think that 10*s.* would cover the expense of testing?—It would more than cover the expense of testing in our case, because we do the whole of our business ourselves.

925. But assume that there was an inspector appointed by the corporation, and that he tested each boiler in Oldham with hydraulic pressure, do you think that 10*s.* would cover it?—If he charged his time for inspecting, and the parties had him to pay, they would take very good care that he was not kept long doing his business.

926. That would cost them something, would it not?—Yes; they would pay for the time he was there.

927. What I want to know is, if 10*s.* would cover all the cost that anybody had to incur?—Yes; I think 10*s.* would be the average cost of the whole lot; I do not think it would cost 5*s.* in some cases.

928. When you tested by hydraulic pressure a boiler

a boiler that had been at work at 50 lbs., you would test it up to 75 lbs., would you not?—Yes.

929. When you do that do you hammer the boiler at all under pressure?—No.

930. It is a perfectly dead pressure, is it?—Yes, perfectly dead.

931. Have you ever made any experiments of the difference of what iron will bear when it is perfectly still, and what it will bear when under vibration?—There is a great difference I know, but we ought not to put a boiler to that test.

932. Do you think when an engine is working, especially when she has just started, that there is no vibration in the boiler plates?—It is my opinion that there is a good deal more vibration with steam than with water.

933. Then are the conditions the same unless you apply the hammer to the plate while the dead pressure is on?—I think the hydraulic process is quite enough.

934. That is your opinion, is it?—Yes, certainly.

935. But that is not the result of any actual experiment, is it?—No; but I would not alllow any one to strike a boiler when under pressure.

936. Then with regard to local inspection by engineers appointed by the local authorities; whom would you have to make rules and regulations under which the inspection should be made, and to prescribe the test?—That would have to be done by a council of engineers, or something that the Board of Trade would approve of, I suppose. Those kind of things I think ought to come under the vote of the users; there ought to be a kind of Parliament of users and engineers; eminent men qualified to do that.

937. You have mentioned the Board of Trade, do you think that those rules and regulations should be made by a council of users, and then sanctioned by the Board of Trade?—Yes; I think the users ought to have some voice in this matter.

938. But, at all events, you would have some rules prescribed for the inspector's guidance?—Yes, decidedly.

939. You would not leave that to the local authorities?—No, I would give them rules to work by.

940. And having rules to work by, you think that it would be sufficient to leave the corporations to enforce them?—Yes; the corporations should report to the Board of Trade annually what they had done.

941. And those reports, I suppose, would be published?—Yes.

942. Mr. *S. Hill.*] What is your opinion of the steam boilers insurance associations?—My opinion of steam boiler insurance associations is, that I think they would be of use in this way, to satisfy timid people that they were not going to be ruined if they had an accident; but with regard to inspection, I think they have no right to be inspectors of boilers. The inspection, in my opinion, should be done by somebody else, and after that inspection has taken place, those who wanted to insure boilers could get them insured at a very much less sum than if they were not connected with inspection.

943. You look upon insurance associations as more for the prevention of loss than with regard to the safety of the public?—It is more with the view to profit, I think.

944. You think that it is more with a view to profit than with any regard to safety?—Yes, decidedly; if there were no boilers blown up at all, insurance would go out of existence, and if there were very few boiler explosions the fee for insurance would come down very small; but as long as there is a mystery about it they can get high premiums for insurance, and they can afford to neglect inspection, and the result we perceive.

Mr. *Richardson.* 4 July 1870.

945. You regard insurance associations, therefore, as rather detrimental than conducive to the public safety?—Yes.

946. Have you known many accidents to arise from corrosion in the setting of boilers?—Yes, I have known several instances of that kind.

947. You would have that also come under the control of the inspectors, as well as the other matters, would you?—Yes; I think there should be in every town an office, where there should be diagrams showing the proper methods of setting, and every different condition of the boiler, exposed to view; and likewise everything in connection with the boiler, such as mountings, taps, and so on, all in a full-sized section, for anyone to see, and to any steam user who did not quite understand them, the engineer or the inspector should explain them; or any other engineer in the town could go and view this museum, and see all the best things that came up; I would encourage engineers to send things there to be exposed to view.

948. What, in your experience, is the most ordinary vice or fault in setting boilers?—Setting them so that the water can rest on the brickwork, and if there is a leak, then the water gets on to the boiler, and it lodges on the brickwork, and the salt in the mortar eats the iron away; I have never let lime touch a boiler for more than 20 years, but applied plumbers putty instead.

949. What would be the time that it would occupy, do you think, to inspect and test a boiler?—It depends a good deal on the person who makes the inspection.

950. But what would be the average time, do you think, occupied in that process?—Some men would do it in half the time that others would; if a boiler were properly cleaned, inside and out, he would be a very slow man that took more than an hour and a half or two hours.

951. How long would it take to test the boiler, do you think?—If he had a handy cistern it would not take him long.

952. Are you of opinion that it would take him the greater part of half a day to inspect and test a boiler?—It would depend on the situation of the boiler; if he had to pump water in it would.

953. I suppose if you were told that you had to examine and test 100 boilers in a district, you would expect to be about 50 days over them?—No; if I could find a great many of them in a single yard, I should do them much quicker; if they were squandered about the country, I might only do one in a day; but in Lancashire we very often have those thorough tests done at holiday times, and all in a single yard at that time.

954. Mr. *Platt.*] I was going to ask you many of the questions that have been already asked, but the first question I will ask is with regard to the compulsory inspection; now, I take it for granted that you seem to be of the same opinion as all the witnesses who have been examined before the Committee; you consider that absolutely necessary, do you not?—Yes.

Mr. *Richardson.*

4 July 1870.

955. You have not been asked many questions with regard to the mal-construction of boilers and the causes of accidents; that subject again is so well understood by the Committee, that the honourable Chairman did not think it necessary to trouble you on that point, but I may ask you a general question, and that is, whether these explosions are not preventible, to a very large extent?—No doubt they are preventible, to a very large extent.

956. The difficulty that we seem to have is entirely about this board, and with regard to who should appoint the men to inspect the boilers; you were asked a question just now about the factory inspectors, I would ask you whether it is necessary in factory inspection for the workshops or mills to be closed?—No.

957. But in boiler inspection it would be necessary to have the boiler closed, would it not?—Yes.

958. And if they had only one it would close the establishment?—Yes.

959. But if they had a spare boiler, then of course that could be used while the other was being cleaned?—Yes.

960. Then with regard to the municipal board, I understood you to say that you thought the municipal corporations in boroughs would be the best local body?—Yes, I do think so.

961. That is to say, to have the charge of the enforcement of this inspection?—Yes.

962. And outside of the municipal boroughs you think that the county authorities would be sufficient to undertake the inspection in the same way?—Yes.

963. Would you not recommend that a report of those periodical inspections should be sent by those authorities regularly to the Board of Trade?—I have stated that they should report annually to the Board of Trade what they had done.

964. I know that you have said so, but I am asking you the question again; then the Board of Trade would have the power to enforce the Act of Parliament which might be passed upon this subject, would it not?—Yes, no doubt the Board of Trade would keep some efficient person to carry out that part of their duty.

965. I suppose you would also give powers to the Board of Trade for the revision of the bye-laws that might be necessary?—Yes, I would suggest that the steam users, if they, on inspection, found any inconvenience at all, would make it known to the Board of Trade in their report.

966. Then you would have attached to the Board of Trade some competent engineer, the same as they have now with regard to railway and other matters?—Yes, to see that the public was protected in this matter.

967. Then you say, as far as your experience goes, that all boilers should be tested to 50 per cent. over the working pressure?—Yes.

968. You would have all boilers registered, and then they should be tested by the force pump, and proved at 50 per cent. above the register?—They should never be allowed to carry more than two-thirds of the steam pressure on which they are tested by water pressure.

969. You would give power to the corporations to grant licenses in their respective localities?—Yes. I would not let anybody use a boiler without a license.

970. Not for any purpose, I suppose?—No, not for any purpose.

971. If a person buys a new boiler, you think that he ought not to be allowed to use it until it had received the sanction of the local authority?—Decidedly.

972. You said further, that these inspections by local authorities should be annual inspections?—Yes, they should not be less than once a year; I mean the thorough inspections inside and out. The inspector might go as often as he liked to see the boiler at work, and make an outside inspection. I would have the place open to him at any time to go and see that the fittings were doing their duty; he could do that business at his convenience.

973. But you say, so far as regards persons having boilers tested annually, that would be sufficient for their coming within the requirements of the law, unless, as you said, a defect had been observed in the meantime?—Yes.

974. And that defect the user should report to the proper authorities?—Yes, at once, the same as we report now; if a person gets hurt in the works, or loses a finger, or gets his arm broken, we report to the doctor within so many hours, or else we are under a penalty. I would have it the same with boilers. The master or minder should report in the same way.

975. And you would have penalties inflicted in all those cases for non-compliance, would you not?—Yes, that is the only way I can see of getting it all done.

976. And those penalties, for instance, would be enforced hy the magistrates of the district?—Yes.

977. Do you think that steam users alone would be the proper parties to form the board?—Oh dear no; I think the board should be elected by the council. The steam users would elect a council as favourable to their views as possible, but the general public should be represented as well; the council should represent both the steam users and the public.

978. You think that the public have an interest in the question as well as the steam users?—Decidedly.

979. Mr. *Armitstead.*] You said that persons insured their boilers in an insurance company in order that they should not be ruined in case of an accident?—Yes. I say if a man had only one boiler he would be perhaps too poor to buy a new one. I would not prevent him insuring his boiler. No inspection would ever prevent all boilers giving way, it would very nearly do it; but there must be some risk whatever we do, the same as we know is the case with respect to guns, sometimes a man gets his finger shot off, though he buys the very best gun he can.

980. But I believe that insurance companies only insure to a limited extent?—Yes.

981. So that really, if a boiler explosion did much injury, a man might be almost ruined even if he was insured?—Yes, but he could insure up to what he liked, up to a reasonable amount. I think the insurance companies take risks up to 300 *l.* in some cases.

982. Sir *T. Bazley.*] Would you confine the management of the local boiler associations to the whole of the municipal council, or would you have a selection of the municipal council?—My view was that one of the committees of the council would be appointed to that duty.

983. Do you mean that they would be elected by the boiler users?—No; elected by the council themselves, the same as all committees of council are elected. No doubt the council would select the

the best men they had on the council, and who possessed the best knowledge to act in that particular capacity.

984. Do you think that the municipal councils contain all the engineering and mechanical skill of the district?—There is a great mistake made about mechanical skill; there is very limited skill required; it is more a question of care and attention to duty.

985. But would not a committee selected from the practical men in any general trade where steam power was required, make a better committee than the municipal council?—I do not think that it would be justice to the public to leave it entirely to the steam users; they might favour one another's ideas and make things rather too easy. The public suffer very much from these explosions, and they have no control over them. I think they ought to have control over them as well as the steam users.

986. But in Manchester the steam users make their selection, and they have been very fortunate, have they not?—Yes; but they have not been able to force the bulk of the boilers under their care to be inspected; neither do I think that any committee constituted in that way would be able to do it, and I consider that it would not be right to pass a law to give power to the steam users to do it all. From my experience on the Manchester committee I can state that there is a great difficulty even with members of their own committee to get them to attend to the regulations of the association, to say nothing of the people outside. If they have got a boiler that they think is safe, they sometimes want to continue it against the majority of the opinions on the committee and against the opinion of the engineer.

987. Might not that occur in the municipal committee?—Yes, but if we had a fresh law upon these subjects making a breach of duty penal, people who are not themselves in opposition to that committee would find that they made themselves responsible for a very serious matter, and I think nobody would like to do that.

988. Not to make any invidious distinction, let me ask you whether, in your opinion, the gentlemen now connected with the Local Steam Boilers Association in Manchester are not more competent than any members of the municipal council of Manchester would be, for the purpose of regulating the inspection of boilers?—No; some of them may be, but I think they are not, as a body.

989. You are quite aware that councils in municipalities have multitudinous duties to perform that have no connection with engineering or mechanical pursuits?—Yes; but if they had extra duties, they should themselves be multiplied in number.

990. In fact, you are decidedly in favour of local management?—Yes, decidedly.

991. Mr. *Lancaster.*] I understand you to say that you are in favour of hydraulic testing for boilers?—Yes.

992. And you think that 50 lbs., or one-third, would be a sufficient margin for all boilers?—Yes.

993. You think that a boiler, for example, carrying 10 lbs. on the square inch, tested up to 15 lbs., would be sufficient for that boiler?—Yes; but there are not many of those things in existence now.

994. You think that a test in the same ratio would be applicable to a locomotive boiler of 150 lbs. pressure?—I have had no connection with locomotive boilers, but, as I have been asked the question, I would say no; I would have a larger margin; there is more vibration and hard usage than in the case of a stationary boiler.

995. You think that there is no danger of the iron being permanently damaged by applying too great a hydraulic test?—I think if the iron does show any signs of failure upon the test, then the pressure of the steam should be lowered in that boiler.

996. But is it not possible for a boiler to be injured by the hydraulic test, without showing symptoms of decay?—No; I do not believe that theory myself.

997. You say, I think, that much skill is not required to inspect a boiler?—Not a great deal.

998. You propose to give a certificate when a boiler is set up, that the boiler is fit to be worked, do you not?—Yes.

999. Therefore all mal-constructions come under the first inspection, do they not?—No, only for the time.

1000. You say that the first inspection is to determine the boiler as fit to be used; that is to say, whether it is properly constructed, whether it is properly set up, and whether the fittings are proper?—Yes.

1001. Do you mean to say that no skill is required to see to that?—No, I did not say that, I meant that there was not so much skill required as the public were led to believe.

1002. But for that certificate to be granted you must have the boiler inspected, and that is part of the inspection, is it not?—I would have every new boiler when it was made, tested in the boiler yard, and the boiler maker should give a certificate of the test, and that it had stood such a pressure, and had held it tightly. I would have that certificate to come to the engineer of the corporation, and I would have attached to it a sketch of the boiler, and the dimensions, how it was made, the thickness of the plate, the method of staying the mountings, and so on. That certificate, as I have already said, should come to the engineer of the corporation; he should take that certificate, and when the boiler was set up he should put it through all those tests, check all those measurements, take the certificate into his office, and place it where the public could get at it at any time they pleased, and see that the thing was there. Another thing I would do; I would tie down every maker, that when he sold a boiler he should not put a plate into it that had not stamped on it the man's name. In Lancashire a few years ago a man could go and offer a boiler and sell it at about 50 or 75 per cent. below what a real good honest man could sell a good branded boiler for. I would give every tradesman the chance to live according to his merits. We have many steam users in Manchester who know nothing about iron, and if they get the thickness of the plates, and the size, they do not take notice how they are put together; whether it is branded iron or cinder iron, or whether they are cross joints; they see it is such and such a boiler, and at such a pressure, and another man offers them a boiler and they take the cheapest. A man says, "That will carry my pressure;" perhaps one-half the plates are punched, and in bending them they break

Mr. *Richardson.*

4 July 1870.

break half the way through at the rivet holes. Then the whole thing severs and goes away. I say that if the thing is done by the municipal council who know all the parties and all the circumstances, and are good meaning people in the town, and who would have an interest in keeping the thing right and assisting the engineer, it would be much better.

1003. The engineer would be an inspector, I suppose?—Yes; the council should employ an engineer competent to do the business.

1004. Mr. *Cawley.*] But he should act under certain rules laid down in the first instance, you say?—Yes; he should act under certain rules laid down in the first instance, and he should have a certain line of duty.

1005. Colonel *Gray.*] With regard to the amount of fee per boiler for inspection, you say that you think 10 *s.* a boiler would pay?—Yes, in a town like ours.

1006. I understand that the insurance companies charge 20 *s.*?—Yes.

1007. And the Steam Users Association charges a guinea and a half?—Yes.

1008. Do you think that 10 *s.* would be a fair amount to charge?—Yes; in the steam users and in the insurance offices there are gentlemen to keep, and a fine office to be upheld, and a great many records taken that are put on the shelf, and are never seen any more; consequently there is a great deal of unnecessary expense which would not be needed under the municipal authority.

1009. But you mentioned that drawings and so on would have to be made, did you not?—Yes, I would get it from the boiler-maker; he would do it the easiest of anybody.

1010. That would be an additional tax on him, would it not?—He would make the boiler at the same price and supply it at the same price as he does now, and he would be very glad to get the order.

1011. But do you think that that would be a fair fee?—It would vary; a man should be paid for the time it took him to do it. If it was a long way off you would have to pay travelling expenses, but if it was near home and there were a great many in one yard, he could do it for a quarter the money, and be quite as well paid.

1012. You say that you have only two boilers out of 40 under the Steam Users Association?—Yes.

1013. Suppose the fee of registration on compulsory inspection were 23 *s.* a boiler, you would not object to all your boilers being charged at that rate I suppose?—If the whole of the municipality were charged at the same rate, I should not mind, because the surplus revenues would go into the exchequer of the town, and we should have so much less rates to pay.

1014. Why is it that you have not had more than two boilers out of 40 under the Steam Users Association?—We only put those two in for compliment, because they wanted us to give them a helping hand, and we could not do that without being members in some shape.

1015. You are opposed to Government inspection, and yet you come to the Board of Trade to get some competent person to have all this carried out?—I do not think they would obey any other power; but I want as little to do with them as we can help.

1016. That is really your answer; you do not like the Government interference, and you would have as little as you can, but you admit that you must have some?—Yes, just as the Workshop Act is carried out. The only thing is to have somebody to make them do it.

1017. You would have the boiler owner compelled to report accidents to the boiler itself just the same as accidents of any other kind in your works?—Yes.

1018. Of course that would be a report to the Government, would it not?—No, only to the municipal authority.

1019. But it would go to the Board of Trade, would it not?—The municipal authorities would report to the Government. But the great secret is this, I want to have the doctor at my door; I do not want to have to send to London for a doctor to stop a certain inflammation.

1020. But you know that all the best doctors are to be had in London, do you not?—Yes, but they are too far off to be of any use.

1021. *Chairman.*] Have you any further observations to address to the Committee?—No.

Mr. JOHN ANDERSON, called in; and Examined.

Mr. *Anderson.*

1022. *Chairman.*] You are Superintendent of Machinery to the War Department?—I am Superintendent of Machinery to the War Department.

1023. I believe you have paid a good deal of attention to the management of steam boilers?—Yes.

1024. And you have had your own works at Woolwich under very careful supervision?—Yes.

1025. Have you had any accidents from explosions of boilers?—No.

1026. But I suppose that the results of explosions have come under your observation?—Very rarely.

1027. Generally, would you say that explosions proceed from mysterious causes, or that they are referable to very definite causes?—They are generally attributable to very simple causes; it is quite a matter of inspection.

1028. Is it your opinion that we have no business with so many verdicts of accidental death in these cases?—I think not.

1029. You think that generally there is some definite cause for an explosion?—Quite so.

1030. What would you consider proper and efficient means to be adopted, in order to prevent those explosions?—In all the boilers of the War Department those that have not some means for preventing incrustation are thoroughly cleaned and examined after every 300 hours of working, and those that have something to prevent incrustation are allowed to go on for 500 hours, and then they are thoroughly cleaned, outside and inside; they are examined and tested at double the working pressure, and with hot water; and then, once a year, at least, we have the Manchester Steam Users Association to inspect again.

1031. That is to confirm your own observation, in fact?—Yes.

1032. When

1032. When you test under pressure, do you subject the boiler to any hammering?—No.

1033. You consider the simple abstract pressure sufficient?—Yes.

1034. But you test up to double the working pressure, you say?—Yes, we test to double the working pressure, whatever that may be.

1035. I suppose you are of opinion that such an inspection as you give would be quite sufficient to prevent explosions anywhere?—Yes, I think so.

1036. How often do you inspect the outside of boilers?—After every 500 hours' working, at the latest.

1037. You make a thorough inspection then?—Yes, we make a thorough inspection.

1038. Then your boilers are under the surveillance of skilled persons constantly?—Yes, they are constantly under the surveillance of skilled persons, and they are carefully examined every time, but not so thoroughly as that which is done yearly, or oftener, by the Manchester Steam Users Association.

1039. I believe you have a code of rules that are adopted for the boilers under your care?—Yes, I have brought some of them with me.

1040. Will you be kind enough to favour the Committee with a copy of those rules?—Yes, I will do so. There are two things. There is first a small set of instructions for the stokers, and another pamphlet drawing attention to some of the principles connected with the subject (*handing some papers to the Committee*).

1041. I am asking these questions with regard to the country generally; do you think that boiler inspection should be made compulsory everywhere?—Yes, most decidedly.

1042. By whom, in your opinion, should that inspection be carried out?—I fancy that the way in which we are situated in the War Department answers very well. I do not think we could be very much better off than we are.

1043. You carry out your own inspections?—We are all the better for the Manchester Steam Users Association in addition.

1044. Because of the Manchester Steam Users Association coming in contact with different parties, hear different opinions, and you get the benefit of their experience?—Yes, that is important, and besides it quickens us up immensely.

1045. Do you think that the Manchester Steam Users Association have been a benefit to the country generally?—Yes, I think they have, and I should be very glad to see their operations extended.

1046. Do you think that if the same system as that which is adopted by the Manchester Steam Users Association were carried out generally, it would be the means of preventing nearly the whole of the boiler explosions?—That is my opinion.

1047. Would there, in your opinion, be any difficulty in forming such associations throughout the country?—No, I think not.

1048. Do you think that that might be done by means of the municipal councils in towns?—I have not thought much about that, but I am very pleased with the results as far as we are concerned.

1049. I believe that the Government have a large number of boilers under the inspection of the Manchester Steam Users Association?—Very nearly 180.

1050. Taking the suggestions which are conveyed in the pamphlet which you have been kind enough to hand in; if those suggestions were carried out, you think that that would be the means of preventing a great many explosions?—Yes; that pamphlet was not written with any pretension of being a book; it was merely for the guidance of our own people.

1051. Captain *Beaumont.*] Do you remember the explosions which took place at Chatham?—Yes.

1052. Did you inspect that boiler?—No.

1053. Are you aware whether the same or an analogous system of inspection to yours exists with the boilers under the Admiralty?—I believe not so systematically as we have done it; we have done for 17 years just as we do now, except with regard to the Manchester Steam Users Association.

1054. Do you remember whether any investigation was made at the time, not only with regard to the cause of the explosion, but also with reference to the inspection which the Admiralty were accustomed to put on their boilers?—I forget the circumstances.

1055. Do you remember the cause of that explosion?—No, I forget the cause of it.

1056. Have you read the evidence of Sir William Fairbairn before this Committee?—No.

1057. He spoke of grooving as a cause of weakness in boilers; have you any theory to advance with regard to that?—No; but I see that certain plates, from some cause or other, have holes forming in them; I refer to certain inferior plates that I have recently met with. We are endeavouring to ascertain the precise cause.

1058. Have you ever seen pieces of graphite in the locality of the damaged plate?—No.

1059. Should I rightly describe the grooving, such as you have seen, if I called it a grooving an inch wide, an eighth of an inch deep, and say a foot or so long, which would be found somewhere below the water line, but never above?—Yes; but I cannot explain the cause.

1060. Will you be kind enough to inform the Committee exactly what you have seen?—We often find that condition of things; but there is something that puzzles me even more, a patch will be selected and a hole eaten away right through the boiler in a very short time. I think it is due to the character of the iron in a great measure.

1061. Have you ever traced that to anything connected with the brickwork on the outside?—No.

1062. Has your observation been sufficient to enable you to have any opinion to give to the Committee, as to whether it is due to any special position of the brickwork, or such matters outside, or has your observation been, that it is a matter of chance, so far as you know, where the effect of the grooving might be looked for?—I have seen it so very seldom that I could not state; more particularly I have not traced it to any particular condition; in fact, I have only seen it in two boilers.

1063. Is it an electrical action, do you think?—No, I think not; I think it is connected with the quality of the iron.

1064. I believe that it has been observed in connection with the bolt holes in boilers; have you observed it under those circumstances?—No, we use no bolts.

Mr. *Anderson.*

4 July 1870.

1065. Not for the rivets?—Yes, but we do not observe it particularly at the rivets.

1066. There is a theory also with regard to explosions that take place when the engine has just started, have you any opinion to advance upon that?— No, only the usual explanation about the steam becoming superheated, and the reduction of the pressure, due to the engine going to work, this causes a greater ebullition for a moment afterwards; and the water being at a higher temperature due to the previous pressure.

1067. But might it not be frequently owing to the water in the boiler being low, and consequently the plates being heated, and then when the engine is started, it relieves a portion of the pressure, and so sets the water awash, which passes over the heated part and generates more steam?—That is possible. But it very rarely happens with boilers that are properly fitted up. We have had our boilers very long at work, and have never had any symptoms of that nature.

1068. The precautions which you take are such as to ensure there being no lack of water, I suppose?—Yes.

1069. Mr. *Cawley.*] You appear to have your boilers very often inspected?—Yes.

1070. By whom are they inspected?—By men belonging to the department.

1071. Are they men specially appointed for that purpose?—Yes, but they have other work to perform as a rule.

1072. But they are men whom you consider perfectly competent?—Yes, perfectly competent.

1073. You think that the Manchester Steam Users Association has been a benefit to the country?—Yes.

1074. You know that it is a voluntary association, and that a comparatively small number of boilers are under its inspection?—So I have heard.

1075. I think you are of opinion that it is very desirable to make boiler inspection compulsory over the whole of the country?—Yes, I should like to see that carried out very much.

1076. Would that be better done, do you think, by a central Government authority than by a local authority?—It is very difficult to say, but their experience is very great. If you were to put the same individuals under Government, there would not be a very great difference.

1077. It is quite necessary to have compulsory inspection of some kind, you think?—Yes, I think that a compulsory inspection of boilers is necessary.

1078. But whether it should be by the Government or not, you are not prepared to say?—No, I am not prepared to say.

1079. Colonel *Gray.*] I suppose it must be a considerable expense to your department to have those numerous inspections?—No, it is not; it would cost us as much nearly to do it ourselves if we did it as well and as often, because, as I have already said, those who inspect boilers belonging to the War Department have other duties to perform. Unless we had a great staff that had to do that thoroughly, and nothing else, we could not have the boilers in the state that we have them now by the Manchester inspection.

1080. Do you pay to the Manchester Steam Users Association a guinea and a half a boiler?—We pay three guineas a year per boiler.

1081. Is that irrespective of the size of the boiler?—Yes, irrespective of the size of boiler.

1082. How many inspections have you in the course of the year?—We have one at least, and as often as we like to send for them; we have them constantly; we can send for them by a telegram, at any time, and when we have any doubtful boiler we get it inspected at once.

1083. That fee amounts to 540*l.* a year for the inspection of the boilers?—Yes.

1084. Besides your own inspection?—Yes.

1085. That is very much more expense than a private firm would like to incur, perhaps?—There is a guarantee of 300*l.*, but I do not attach any value to that; it is scarcely likely that we should ever have an accident, with the care we take.

1086. I think you have stated that you never have had an accident?—We never have had an accident.

1087. Mr. *Cawley.*] With regard to the grooving which has been spoken of, is it a grooving which frequently takes place alongside the joints?—I have seen it very rarely.

1088. Therefore, you are not able to form any opinion with regard to the cause?—No.

1089. The other spots which are spoken of are apart from the joints, are they not?—Yes; we are trying to get at the cause.

1090. But that is in spots away from the joints, is it not?—Yes.

1091. Indiscriminately, I mean?—Yes.

1092. Mr. *S. Hill.*] How often have you had your boilers tested?—They are all tested every 500 hours at the outside, at double the pressure which they work at.

1093. How many boilers have you had tested altogether?—We have had the whole of them tested.

1094. How long has that been going on?—For 17 years.

1095. Have you had any boiler give way under that test?—No.

1096. Have you never had one fail?—No; we always condemn them before they fail.

1097. On what principle do you condemn them?—It is very seldom that double pressure will distort a boiler; you see certain parts becoming thin, and sometimes you see leaks developed and made plain by pressure, but it is very seldom that you see symptoms of failure.

1098. Am I to understand that you have condemned boilers without testing them?—No.

1099. You say that you have condemned certain boilers, but you never knew them to give way upon testing?—We never use a boiler after it has stopped work, without testing it first at double the pressure.

1100. You say that you have never known one to give way under the test?—I have seen a leakage sometimes.

1101. Then you have known them give way under the test?—I have not seen a boiler ripped open by the testing.

1102. But you have discovered leakages?—Yes, constantly; but we never let a boiler go to work until there is not a single leakage under the testing.

1103. Lord *J. Hay.*] You say that you have carried on this system of double inspection for 17 years?—No, not the system of double inspection; that is quite a recent introduction with the Manchester Steam Users Association.

1104. You

1104. You have had no accidents since you have had your boilers inspected by the Manchester Steam Users Association, have you?—No, nor yet before.

1105. Therefore the immunity which you have enjoyed from explosions you do not attribute to the association?—We are in a better condition than we were before; we have had the benefit of their knowledge, which is very great.

1106. But with regard to the fact of not having had explosions, it is not traceable to the inspection by the Manchester Steam Users Association?—No, just so.

1107. Mr. *Platt.*] I think you have stated that you would have all boilers compulsorily inspected?—Yes.

1108. And that you are very much pleased with the Manchester system?—Yes, I am very much pleased with it.

1109. If that system was made compulsory, do you not think that the public ought to have some voice in the matter?—It would be more satisfactory, no doubt.

1110. At present the Manchester Steam Users Association is simply confined to steam users, but if you made this system of inspection compulsory all over the kingdom, would not the public like a share in the regulation of that system?—Yes, it would be necessary to mix up the public with it to some extent.

1111. Otherwise, it would put immense powers in the hands of the association, would it not?—Yes.

1112. You say that you obtain a great deal of information from the Manchester Steam Users Association?—Yes, a great deal.

1113. Would not the public derive the same information from the reports of the municipal councils being sent up to the Board of Trade, which would all be read by the public and be at the public service?—But it is not that kind of information that I am referring to, although there is a great deal in that. The kind of information which we derive is from their thorough knowledge of steam boilers of every kind, and very careful inspection of our boilers, pointing out little things that are apt to be overlooked. The kind of information that they give in that way is very great.

1114. Take the case of an explosion, the municipal authorities would send in not only their own engineer's report, but perhaps other engineer's, and that report after going to the municipal council would be sent up to the Board of Trade; would you not obtain valuable information in that way?—Yes, very great.

1115. Sir *T. Bazley.*] At what pressure do your boilers work?—At 60 lbs. and downwards, very seldom above 60 lbs.

1116. In your frequent examinations of your boilers have you ever discovered defects, which, if not removed, would imperil the safety of the boilers?—Yes, on many occasions.

1117. And you are thoroughly convinced that you have derived great benefit from such examination?—Yes, I am thoroughly convinced of that.

1118. Lord *J. Hay.*] What is the reason, do you suppose, that induced you to desire this inspection by the Manchester Steam Users Association, it appearing from your evidence that it was not in consequence of any explosion having taken place; was it because you felt that your own inspection was not quite trustworthy?—No; some one connected with the War Department, I do not know who it was, originated the matter. The paper was referred to me asking my opinion; I thought the matter over and I considered that it would be a very good thing indeed. I thought we could not lose very much by it, because I saw the means of dispensing with one or two individuals who did that kind of work, in fact, I saw my way to reducing a certain part of the establishment; it removed certain difficulties, and to me, personally, it is more satisfactory.

1119. Was the consequent reduction at all commensurate to the increased cost, which is 500*l.* a year?—I do not think we lose very much by it, and I am sure that we are very much better for it.

1120. Mr. *Platt.*] The increased cost of three guineas for the inspection of a boiler is owing to the distance from the centre of operations, I presume?—Yes; our boilers are scattered over England and Ireland.

1121. *Chairman.*] The duties being more onerous than is the case with other parties, because you call on the inspectors of the Manchester Steam Users Association to come up whenever you think proper; that is to say, you are not limited to any number of visits?—Just so.

1122. You think that it can be very easily ascertained when a boiler has become unsafe to use?—Yes.

1123. You have no difficulty about it?—None whatever; we know years beforehand that it is coming on, and we watch it from month to month, and record its history. Our system of record, in addition to all that I have been speaking of now, is very precise.

1124. Mr. *Cawley.*] Did I understand you to say that you thought the Government department was a gainer, not merely in the mere inspection of the boilers, but that it afforded you an amount of information with regard to the construction and working of boilers, which was of great value?—We have all the benefit of the experience of the Manchester Steam Users Association, which is very great; very few are willing to allow that, but it is the fact.

1125. Colonel *Gray.*] The inspector comes all the way from Manchester; he is not in London?—I believe so; he comes from Manchester; I believe that one of the inspectors was brought up in one of the Government departments, but that does not affect the matter.

1126. Captain *Beaumont.*] I think I understood you to say that you are in favour of a compulsory inspection?—Yes.

1127. Would compulsory insurance, in your opinion, go far to meet your views?—No; I have no faith in insurance.

1128. None whatever?—None.

1129. I suppose you look upon it in this sense, that the boiler is practically insured by the damage that is caused in the event of an explosion falling on the owner?—Yes; it would be a very rash thing to say that we shall have no explosions under a system of inspection, but the risk is reduced so much that it is not worth insuring.

1130. You do not think that insurance would remove the inspection from the owners of boilers, who might not be professional men, to the insurance people who would have professional men to do it?—I attach no value to insurance.

1131. *Chairman.*] Have you any other statement which you wish to make to the Committee?—No.

Mr. James Nasmyth, called in; and Examined.

Mr. *Nasmyth.*

4 July 1870.

1132. *Chairman.*] I believe that you are a Member of the Royal Institution?—Yes.

1133. You were in business for a considerable time as an engineer and boiler maker, ?—Yes, for 25 years.

1134. You are now out of business, I believe? —Yes, but I have still my eyes open on all matters connected with engineering.

1135. Naturally these fearful catastrophes in boilers have come frequently under your observation?—Yes.

1136. To what have you generally been led to attribute those catastrophes?—There are a great variety of causes, but it appears to me that the most probable causes of boiler explosions may be classed as under: first, deterioration of original strength; secondly, original mal-construction; thirdly, defective materials; fourthly, defective workmanship, original or in repairs; fifthly, short supply of water; and sixthly, over or undue pressure. I consider those six as the most prominent sources of these catastrophes. With regard to the first subject, deterioration of the original strengh of the boiler, this refers to decay by general or local corrosion, often the result of an unseen or inaccessible leakage; defective repairs, or tinkering of parts difficult of access, and generally effected in haste and under circumstances adverse to the production of sound and careful workmanship. Secondly, as to original mal-construction, all the causes just named would be much aggravated by original mal-construction, namely, the existence of forms and arrangements of material ill adapted to withstand the strain which they are naturally subject to. Thirdly, as to defective materials; that refers, among other things, to an inferior and brittle quality of iron in the boiler plates or rivets, so rendering them liable to crack under the continual action of expansion and contraction to which the material of the boilers is naturally subjected; blistered or unsound plates, and cracking of the rivet holes from one to another. I may amplify that by saying, that in the normal action of a boiler there is a continual heating and cooling of all parts of the boiler going on that produces a bending, pulling, and pushing action. It is the way in which a boiler gradually approaches a catastrophe, for sooner or later it will come to an explosive condition, and the great object of all precautions is to arrest the boiler in its use before those destructive conditions have arrived at a dangerous maturity, and hence the necessity for inspection to find when the point of danger is near.

1137. Mr. *S. Hill.*] Have you any technical word to express that?—No; it is a continual action of give and take that the soundest piece of iron in a steam boiler will in time give way to. If you take a piece of strong wire and cannot break it, and then you bend it backwards and forwards, at last it will part in two, and so it is with the material of a boiler; it is a mere question of time, however well made the boiler, and whatever the excellence of the materials, it is day by day approaching the time of the catastrophe, unless you stop the mischief before it arrives at a dangerous maturity. The fourth cause is defective workmanship; rivet holes cracked by forcing the holes to coincide, which, from defective punching did not agree in the first instance before the plates were rivetted together. From my experience I have found this a very material source of weakness in putting plates together. It is very important that every rivet hole should be opposite its corresponding hole, but from defective punching when the plates are put together, the workmen find that one hole is partly eclipsing the other, then in order to compel them into coincidence they use a conical steel punch; thus the natural consequence of the treatment the boiler receives is a complete tear or an embryo tear. That begins the mischief, and when once you destroy the integrity of the plate, a great deal of the strength is gone. I might pull a sheet of paper a long while without tearing it across, but the moment you make a little rent in the edge, it gives way. And just in that manner, when an embryo tear is made in a boiler, it is inoculated, so to speak, with mischief. That is why I consider defective workmanship is a very fertile source of danger; I mean in the incomplete coincidence of the rivet holes. These are technical matters, but they are very cogent to the subject, and are at the very foundation of the question. Plates cracked in bending to the required form, the result of original brittleness, or bending them when too cold, is another source of injury and danger. Defective repairs or tinkering under adverse circumstances, namely, haste and inaccessible parts, or other conditions adverse to the production of sound and careful workmanship. Many boiler explosions have resulted from bad repairs. Boilers are very often badly repaired, especially where the work is effected in a very inaccessible part, where a man cannot find room, or even find light, to see to do the work thoroughly. If you look into the records of explosions you will find that most of the boilers which have produced the greatest catastrophes are boilers that have been under repair. It is generally stated at inquests that the boilers were but "recently repaired and carefully inspected." That may be very true, but all practical men know that when you repair a boiler in some part difficult of access, the repair cannot be done with the same degree of soundness that it would be if the boiler was perfectly open in the yard of the boiler maker. The fifth cause is short supply of water. This cause may on the first occurrence result in an explosion, but otherwise, though not immediately resulting in an explosion there and then, may yet so injure the material and damage the integrity of the original form of the boiler, especially the internal flues, as to result sooner or later in an explosion by the collapse of the flues, or giving way of the part, the strength of which has been injured by the result of the overheating, consequent on the short supply of water. The sixth and the last cause is overpressure. This cause of explosion may result from defective safety valves in combination with general or local deterioration of the material and strength of the boiler, or of the existence of one or more of the causes named under the previous heads. The subject of boiler explosions in reference to the causes of such catastrophes, viewed as a whole, is one of a very complex and difficult nature, inasmuch as a boiler explosion is generally the result of a more or less complex

complex combination of any of the before-named six causes.

1138. *Chairman.*] You are of opinion that those very fertile causes of explosions could all be prevented by constant inspection?—Yes, they are preventible if that inspection be thoroughly effective, but there is a great difficulty about that.

1139. Have you formed any opinion with regard to how such an inspection could be carried out?—I should put it under the strongest pressure of the self interest of the proprietor of the boiler, and involve him as far as you legitimately can in the results of the catastrophe; I mean involve his interests in it, though that is, perhaps, an uncharitable way of viewing the subject.

1140. In fact, you would make it compulsory as far as possible?—Yes, decidedly.

1141. Have you any theory of the way in which you would carry this out?—It is a subject new to me, and I do not know how I would legislate upon it, except by laying down that general principle, to involve the owner's interests in the result.

1142. Are you acquainted with the operations of the Manchester Steam Users Association?—Generally I am, but not minutely; it got into full operation since I left business.

1143. But you know their system of inspection, I presume?—Yes, I have the greatest respect for it; it depends of course on what is the ability of the inspector, and also the nature of the inspection. It is very difficult to inspect an unseen leakage; an unseen leakage may be to so small an extent that it may not call attention to itself by emptying the boiler; it may go on corroding portions of the boiler, very often those portions that lie in contact with the setting, and these are very difficult to inspect.

1144. It may be local and extending over a very small portion?—Yes, but on the principle of the rent in the sheet of paper, the consequences may involve the safety of the whole boiler.

1145. That determines the ultimate strength of the boiler?—Yes; the strength of a structure is its weakest part; that is a very good sound mechanical maxim, and very cogent to this inquiry; you must hunt out which is the weakest part of the boiler, and if that source of mischief be in a dark flue, hidden away below the brickwork, I do not know how the inspector can find it out.

1146. But I suppose a competent person, being aware that such things do exist, could easily arrive at the fact?—Not very easily. In the case of a boiler set in brickwork, with a leakage in contact with the bricks and mortar, there might be nothing there to call attention to it. If there were a running of water, of course there would, and that kind of leakage is less dangerous than those small insidious corrosions that go on and on to dangerous maturity, and yet may remain quite unseen by a very sharp inspector.

1147. What is your opinion with regard to the test by water pressure?—I would have a very severe test.

1148. Of course, that would certainly find it out, would it not?—Yes, the very sound of the escape of water would draw attention to it; doubling the working pressure would be the least that I would go to; if a boiler cannot stand double its working pressure, it should be held suspected.

1149. Would you think it necessary to hammer a boiler put to any extra strain in that way?—No, I do not see much use in that hammering; a very practised ear might detect by the alteration of the tone that there was some unsoundness; and so it might be of use.

1150. If the object was to place the boiler in the same circumstances that it would be in when working in the steam engine, namely, that it has a certain vibration, then the circumstances would not be the same under simple pressure when the boiler was not at work, would they?—No, but I do not think that it would matter very much; many boilers would stand a pressure with hot water, that if tried by hydraulic pressure with cold water would give out a great deal sooner; you would develope a latent weakness by cold water much sooner than with hot. You may knock about a worn boiler plate, even if it was defective iron and very brittle, if it is heated up to the temperature of boiling water, you might beat it about like a sheet of copper; but if it is a very defective plate, and you treat it with the same violence in a cold condition, the latent defects will soon be found out.

1151. One very fruitful source of danger is bad workmanship; the rivet holes not being opposite each other, which cannot be seen very well?—Yes.

1152. And another is corrosion, which is also difficult to find out?—Yes.

1153. In one case the respectability of the maker would be some guarantee?—Yes.

1154. But there is nothing to enable corrosion to be easily found out?—No; there may be loss of resistance from bad rivetting, either by non-coincidence, or by the straining of the plates to produce coincidence; that produces embryo cracks, which develope into full cracks, and those develope into leakages, and then the causes merge into others, until serious mischief comes of it; and all the more dangerous, because it is not so large a leakage as, from its extent, to call attention to it.

1155. How would you define the class of boilers that should be placed under inspection?—I would say any iron vessel that was intended to contain water under high pressure for working steam engines, or for the production of steam under, in fact, any pressure at all as boilers. The general acceptation of the term means, a vessel capable of furnishing steam of such elasticity as to propel the piston of a steam engine; but there are boilers used in some manufactories for the supply of high pressure steam without reference to driving a steam engine.

1156. Dr. *L. Playfair.*] In many of the boiler explosions that have been brought before the Committee, the lines of explosion very often follow the line of the rivets?—Yes.

1157. And the reason is what you have stated, namely, that the boiler has been weakened there by the causes you assign?—Yes; and another important cause that follows immediately on the process of rivetting is, that in forming the head of the rivet you thicken the body of it, the rivet, if it is half an inch when you put it into the hole, becomes perhaps five-eighths of an inch in diameter after it is rivetted up, as you decrease the length of the rivet in the action of rivetting, that produces dispersive or rending action.

1158. You spoke of leakage as being a great source of danger; you know Mr. Mallett's experiments on corrosion of iron?—Yes.

Mr. *Nasmyth.*

4 July 1870.

1159. After there is a little rust formed in a particular part, do you conceive that leakages are produced by that small rusting, and that the rust is then formed more rapidly, and increases the corrosion?—Yes, there is curious chemical action and reaction taking place, cause and effect becoming each other alternately.

1160. The rust once being formed, the mischief goes on progressively and faster?—Yes.

1161. When it takes place on the seat of the brickwork, do you think that the brickwork itself has any action in promoting the rust or the leakage?—No, not as brick; not as mere material, but as a kind of sponge to hold the damp and the corrosive agency in close contact; if it took place in an open flue, the draught of air would sweep away the vapour, and convert the water into vapour; but where you put it into contact with bricks, you stop the evaporation; it is sopping in a damp place where all the conditions of corrosion and deterioration are in the fullest action.

1162. Captain *Beaumont.*] I suppose you heard what has been said with regard to grooving by the previous witnesses?—Yes.

1163. Have you any theory to advance with regard to that?—No; I have no theory that I should venture to offer to the Committee. I have seen remarkable cases of grooving, especially in locomotive boilers, that have scarcely been in action three months, where they have deeply established themselves just behind the overlapping of one plate with another; the appearance was so entirely local that it struck me that it was due to some special chemical action.

1164. And not to electrical action?—There probably was an electric action lying at the basis of the chemical action as the originating cause of it. In locomotive boilers the whole of the boiler may be taken as an electrical apparatus, for you have every necessary condition in the brass tubes that are non-soluble, and the iron that is highly soluble and a saline fluid in the water of the boiler, with those like agencies at work; one is the zinc plate, and the other is the copper plate, of a battery, and the most corrodible, that is to say, the iron, is destroyed; but why it should concentrate itself on one locality, instead of diffusing itself all over the surface is a very recondite question indeed.

1165. Have you seen many examples of that kind?—Not many. I was called in by the London and North Western Railway Company, on the occasion of a very serious accident to a boiler that exploded under those circumstances; it was the boiler of an engine which had been for about seven or eight years in continuous wear. The question occurred to me, was this due to mere mechanical agency or to some other circumstance? In order to clear that up the company were so liberal as to allow two or three new boilers to be untubed and inspected thoroughly inside. We found one made by Messrs. Byers and Peacock three months before the inspection only, in a most dangerous condition. The boiler plates were the very best that they could have, and the workmanship was admirable, but there were those almost fatal grooves.

1166. In the middle of the plates?—No, where the one plate overlapped the other, the corrosion was just at the edge of the overlapping.

1167. Have you ever seen a case of a plate being corroded in the centre?—We had a thorough overhauling of the old boilers in their yard, where there were the *débris* of engines for the last five or six years, we found very many of the plates very much pockpitted, or eaten into patches of holes.

1168. Was that always in the water space and not in the steam space?—I think it extended over the entire body of the interior of the boiler. The interior of a locomotive boiler is all subject to the water, where there is violent ebullition.

1169. You would not like to localise the effect of the grooving to any particular part of a boiler, I suppose?—No; at all events my information would not justify me in expressing any definite opinion.

1170. Would it not be very difficult for any inspector to detect this until it absolutely had taken place in such a way as to be apparent?—It would depend a good deal on the accessibility of the corroded parts; if it was a capacious boiler, so that you could go inside with a proper light and carefully inspect it by viewing and feeling the plates, you might then detect where the mischief had commenced.

1171. But it is a description of weakness which cannot be anticipated or prevented by any inspection, is it not?—Just so.

1172. It can only be noted when it is in existence, in fact?—Just so; but the great value of the inspection would be to stop it before it arrived at dangerous maturity.

1173. You have said that all the sources of weaknesses that you have enumerated could be avoided, and the boilers made practically safe by inspection; but how is that applicable to defective workmanship in the shop?—It is only partially applicable.

1174. That is a cause of weakness again which would be beyond such an inspection, is it not?—Yes, unless it was bad workmanship, in the way of cracking of the rivet holes, and it had gone so far as to make the cracks visible to the inspector; his attention would be easily drawn to them if they had gone to any considerable extent, for there would probably be a leak, but not always.

1175. There would be then two causes of possible explosion which would be beyond such an inspection as you were alluding to?—Yes, I think so.

1176. Colonel *Gray.*] You said that you thought that inspection should be made in the interest of the owner?—Yes.

1177. Is it not already his interest, in so far as he suffers if an explosion takes place?—Yes, of course; no one would wilfully have an explosion under any circumstance, I should think; but in many cases the suffering, and even commercial loss, that the proprietor is subject to, is very small in proportion to the terrible results to people who are destroyed or injured for life.

1178. But what I mean is this: how would you make it more the owner's interest than it is now to have his boiler inspected?—I would be almost inclined to apply a little of Lord Campbell's system to him, though a homœopathic dose, perhaps.

1179. But there must be some compulsion, must there not?—Yes.

1180. Would you rather have a local authority than a Government authority?—I think it would be better to have a local authority; I agree with Mr. Richardson in the opinion that if each locality had an inspector of their own, sharply looked after by his constituents, he would

would be more effective than anyone coming down from a central authority in London; you might have a grand supervisor, but I would rather have local men to inspect the boilers.

1181. But you must have somebody to look after them, must you not?—Yes; I think the town council would, if the locality had a town council and corporation.

1182. But do you not think that Government authority, applied over the whole, would be a benefit to the system?—It might be.

1183. I suppose that returns would have to be made to the Board of Trade or some other public department?—Yes, by all means, so as to classify the results.

1184. Mr. *Cawley.*] And there would be required some one to lay down rules under which the inspection should be made, would there not?—Yes, I think it would be the most wholesome plan of all to lay down some standard course of rules for inspection, and then let the subordinate town councils or corporations work under those general principles.

1185. With regard to the application of Lord Campbell's Act, I suppose you know that it is not an Act of Parliament peculiar to railways at all, but that it is just as applicable to any one of these explosions as to railways?—I was not aware of that.

1186. But to obtain compensation you must prove negligence?—Yes, no doubt.

1187. With regard to the inspection and testing of a boiler, you would draw a distinction between the original testing of a boiler, before it has ever been put up and used, and that which you would apply afterwards, would you not?—Yes.

1188. Take the testing of a boiler in the first instance, when it has never been made hot, you would then apply cold water, would you?—Yes.

1189. Now, just bearing in mind some questions which I have put before, do you not think it brings the boiler into a nearer approximation to the state in which it will afterwards be, to apply, to some extent, a small hammer, to bring a certain amount of vibration on the plate; would not that assist in detecting any defect?—I could not say that I think it would, but to say the least of it, it would do no harm, and it might be an element of discovery.

1190. Subsequently, you would prefer cold to warm water?—Yes, it would be a severer ordeal to the boiler.

1191. After it has once been heated, you mean?—Yes.

1192. Have you, in your examinations, arrived at any theory with regard to why so many boilers have exploded at the moment that the steam was let out of the boiler on starting the engine?—There are a great many theories more or less apparently profound, one of them relating to the production of gases, and so on; but most of those cases will be found to result from shortness of water. In the flue of the boiler, or even without its being a flued boiler, there might be a portion of it not covered with water; on the opening of the valves so as to let the water that was in a comparatively tranquil state pass into sudden ebullition, there would be a splashing of water upon those over-heated plates, and a sudden production of steam; too sudden for the safety valve to relieve the boilers of it.

1193. That is possible, but is it not also possible that a very much more simple cause may be the true one. I think your own experience, in former times, showed that metal, when under a strain pretty near to its ultimate strength, will very rapidly fly if it be exposed to a very small amount of vibration, and particularly if that is not synchronous?—Yes; it might be so.

1194. Would it not be the fact, that the boiler would have been standing perfectly still, with the steam at rest, and would there not be a certain amount of vibration on the plates from that very ebullition which you have just described?—Not such an amount as would produce a catastrophe.

1195. But if it was near its point of ultimate strength, would not that be so?—I am not aware that there is any great vibration at that moment to which you refer.

1196. But if there were much ebullition of the water when under a pressure of, say 50 lbs., there must be vibration resulting from that; I mean fibrous vibration?—Yes; in certain cases, where the water is entirely deprived of air, a very curious action takes place; and Mr. Grove, the Queen's Counsel, has most beautifully investigated that subject. Everyone who has conducted chemical processes, in glass vessels, knows that if you put water in a Florence flask, and boil it over a lamp, it boils very comfortably for half-an-hour say, after which you will find the frothing kind of boiling disappears altogether. The boiling goes on by convulsive efforts; the water lies still for a minute, and then suddenly jumps up most violently. I have seen it knock a retort off a stand; it was that phenomenon that drew Mr. Grove's attention to the subject; he thought that the real cause was from the entire absence of air in the water, for the moment you introduce air, in ever so minute a proportion, the frothing or safe ebullition returns.

1197. Mr. *S. Hill.*] The air was not entirely absent, was it; he boiled the water, I believe, for three weeks and could not get rid of one bubble?—Yes, it is a very curious subject.

1198. Mr. *Cawley.*] You think that something of that kind probably takes place in the flue of the boiler?—I think it is worthy of being taken into account as one of the many obscure causes of such boiler explosions.

1199. But your opinion is that a thorough inspection by a competent party before the boiler is fixed, and periodically inspected, would prevent a large number of accidents?—Yes, I do most decidedly. It is very desirable, but I think, that you should keep aside as far as you can all very recondite and ultra-philosophical reasons; they sound very learned, but they confuse practical men and take away the responsibility from the right source. I believe that nine-tenths of the boiler explosions arise from very plain common sense understandable causes, if you could only get at them.

1200. Mr. *S. Hill.*] You have stated that there are two causes of explosion which would escape the notice of the inspector?—Yes.

1201. Would those two causes escape a test, or would a test show them to exist?—A test would tend to show it if it was a leakage in contact with the brickwork in an unseen part. The only way in which it would be seen would be if a dribbling of water took place, and that of course being observed by the inspector would bring his attention to a focus, and would show him that there was a place worthy of being specially investigated.

Mr. *Nasmyth.*
4 July 1870.

vestigated. In such a case his duty would be to have the brickwork taken down and lay the boiler bare where the water made its appearance, and then in all probability he would find corrosion or leakage going on.

1202. Speaking from your great experience, do you think that testing could ever generate the mischief?—No, I think not. It might in some degree be open to objection; all actions of that kind are more or less so, but it is the least of all the evils. I would rather meet any risk resulting from slightly damaging a boiler by over testing it than go on from day to day till the evil had reached a fatal maturity which might at any moment bring on a catastrophe.

1203. What was the date of the explosion on the North Western that you investigated?—It was seven or eight years after the boiler was made.

1204. But when was it?—It was about five or six years ago.

1205. Mr. *Platt.*] I suppose you have no doubt in your own mind that a testing pressure would be quite sufficient to discover bad workmanship and bad material?—Not altogether bad workmanship, unless the badness of the workmanship had developed itself into a crack, or such a localization of weakness as would result in a rupture there and then.

1206. That would be so in the case of bad riveting, would it not?—Yes, if it was bad enough to show itself.

1207. When you spoke just now about double pressure, were you speaking of cold water or warm water?—I would have cold water; if you want to treat a boiler very kindly you can have it a little warmed, but the colder the boiler the more severe would be the test with regard to the quality of the materials of the boiler.

1208. Were you in the room when Mr. Anderson was being examined?—Yes.

1209. He also made use of the words "double pressure," but he said that they always tested with hot water; now, it is well known, is it not, that testing with cold water is the more severe test?—Yes.

1210. Would you still apply double pressure if you used cold water?—Yes, I think I would.

1211. You are very strong on the question of penalties, I think?—Yes.

1212. In any bye-laws or regulation that might be found necessary, with due regard to carrying out the inspection, would you enforce penalties in the ordinary way on all parties using boilers if they broke those rules and regulations?—Yes.

1213. Sir *T. Bazley.*] Does not inferior metal sometimes lead to disasters in boilers?—Yes.

1214. And inferior construction also?—Yes.

1215. You have stated that you would visit with compensating responsibility in cases where accidents occur to steam users, those who apparently were the offenders?—Yes.

1216. But should not the responsibility be divided in some cases between the boiler maker and the boiler user?—Yes; that would be attained by making the iron manufacturer who supplied the plates guarantee the quality; by which I mean sharing with you the responsibility that might result from any defect in his materials.

1217. So far as you could you would extend the principle of punishment wherever an offence has been committed?—Yes, I would.

1218. *Chairman.*] With regard to the grooving of plates, that grooving, you state, never exists except pretty near the junction of the two plates, or running parallel with the joints?—Yes.

1219. It has been suggested to me more than once that that grooving might be caused by the very expansion and contraction which you described?—Yes.

1220. Being held at the joints it would give way entirely, just in the same way as the sheet of paper you described by the pulling; do you think that may be caused by any such operation?—It may, but I do not think it probable; it looks to me more the result of chemical than mechanical action.

1221. But if it were chemical would it not be likely to occur in other places except at the joints?—I have found several boilers corroded in patches, but not grooved.

1222. But I speak exclusively of grooving where the pit holes and patches occur; do you not think that that is from the presence of graphite or other impurity in the plate very often?—Yes, it might be, and it might very often result from the great purity of the iron, at the corroded part if the iron plate is not homogeneous in its entire structure, but is patchy in quality; the quality generally might be very excellent, but patches might be more steely than other parts, and then the corrosion will localize itself at one or other of those parts; there are very remarkable instances of that all about London. If you notice the old railings of houses that were made of Swedish and Russian iron, you will find that they are corroded in notches; where the corrosion has localized itself, it is as if you had chipped the railings with a chisel. The cause of that is that those portions that have been corroded have been, so to speak, electro-positive or electro-negative, to the rest of the iron; they have not been in electrical harmony with the whole mass. Where you have a substance that is not in electrical harmony with itself, some one portion of it will give way to a solvent power more than the other.

1223. It would be scarcely fair to attribute that to non-homogeneity, because it might be homogeneous with regard to the metal, might it not?—With regard to iron made in Sweden and Russia, the very nature of the process is to make one portion with a large quantity of carbon, and another with perhaps none at all; it is a very complex combination of chemical substance; you will find that any solvent will dissect it in a most remarkable manner, more like a piece of knotty wood than anything else; whereas, a piece of homogeneous steel would dissolve all away, and show no structure.

1224. But a plate which was perfectly homogeneous would not be subject to these corrosions?—But I should expect steel plates, from their naturally more homogeneous quality, to corrode more equally.

1225. Then the pitting in the plates may be due to the presence of graphite, or impurity?—I cannot say.

1226. Mr. *Platt.*] With regard to homogeneous steel, if one portion was a little harder than another, that would make no difference to the localisation, would it?—Do you mean mechanically harder, or more carbonaceous.

1227. It might be that part of a plate was a little more like iron, and another part might be a little

a little more like steel, and the plate still be homogeneous?—I would not call that homogeneous when the parts of the same plate vary in quality.

1228. But you find it so sometimes, do you not?—Yes, it would be a question of more or less, but I could not call any substance homogeneous that had three or four different qualities in the same mass.

1229. But I thought you meant that the corrosion where the material was not so homogeneous, and might be likely to settle in that particular part?—Yes, it might, in one or other part.

1230. Captain *Beaumont.*] What is your opinion with respect to the value that compulsory insurance would have to effect the end we have in view?—I think it would be damaging to the public safety, by removing the responsibility from the parties immediately concerned.

1231. But it would place the responsibility on the shoulders of the insurance company, who would be as directly interested as the owner of the boiler, and who would have a machinery more capable of professional examination?—No; when you have a company concerned; I have no faith in insurance companies as a means of reducing the frequency of boiler explosions or lessening their disasterous results.

1232. Colonel *Gray.*] There is one question which I wish to ask you about locomotive boilers; do you think that they ought to be compulsorily inspected?—Yes, I think they ought.

1233. We were told by one witness that he thought the system pursued by railway companies was rather haphazard; do you agree in that opinion?—It is a strong term to use; they are so terribly interested in the state of their locomotive engines as an element of disaster, that I should say they are very attentive to the inspection; but from the very nature, without removing the tubes, of a locomotive boiler, you cannot get into it, and to take out all the tubes would cost 300*l.* or 400*l.* every time it was done, which would be a very serious affair indeed.

1234. It would be a much more serious affair to make it compulsory on railway companies than on other boiler users, would it not?—Yes, very much more serious, from the special nature of a locomotive engine boiler.

1235. But still you think it is desirable for the public safety that that should be done?—I should recommend to drill half a dozen holes not thicker than a straw, particularly at the place where grooving was likely to take place, so that the thickness of the boiler plates might be guaged at such parts, and if that boiler gave a good answer for itself, then plug up the holes and no mischief and no very great expense would be incurred. But the terrible results that I saw at Wolverton from a groved boiler have alarmed me ever since.

1236. Railway companies being rather powerful bodies, would they not rather rebel against being put under compulsory inspection?—They may, but that is a separate question from whether it is desirable or not to have that inspection compulsory

1237. You think that it is desirable?—Yes, I do think so.

1238. Captain *Beaumont.*] With regard to the drilling that you have just spoken of, however small the hole is it must weaken the boiler, but you think it would be so little as to be inappreciable?—Yes, it is not worth considering; there are perhaps a hundred holes drilled in locomotive boilers, and no mischief comes from them.

1239. *Chairman.*] Very likely it would not make them weaker where the rivets are?—No, I should recommend a dozen of these small guaging holes to be drilled every now and then, say every 12 months, or oftener, as might be found desirable.

1240. Captain *Beaumont.*] To test the thickness of the metal you mean?—Yes.

1241. You agree in the necessity for this inspection under all circumstances, as I understand you?—Yes.

1242. *Chairman.*] Have you any further observations to make on any point to the Committee?—No.

Thursday, 7th July 1870.

MEMBERS PRESENT.

Mr. Armistead.
Sir Thomas Bazley.
Captain Beaumont.
Mr. Birley.
Mr. Cawley.
Mr. Joshua Fielden.
Colonel Gray.
Lord John Hay.
Mr. Herman.
Mr. Hick.
Mr. Laird.
Mr. Lancaster.
Mr. Platt.
Dr. Lyon Playfair.
Mr. Tipping.

JOHN HICK, Esq., in the Chair.

Mr. William McNaught, called in; and Examined.

Mr. *W. McNaught.*
7 July 1870.

1243. *Chairman.*] You are a Practical Engineer?—Yes.

1244. And you have been for some time so engaged, I believe?—Yes.

1245. For how long have you been in practice?—About 40 years, but I have been engaged nearly 30 years as consulting engineer.

1246. You are chairman of the Boiler Insurance and Steam Power Company?—I am.

1247. How long has that company been in existence?—I think it has been in existence since the year 1859; I do not know the actual day of the month.

1248. It was not the first association of the kind?—The first association was got up by Sir William, then Mr. Fairbairn, and I was an honorary member of the original association.

1249. That is to say, the Steam Users' Association?—Yes, the Steam Users' Association. The company of which I am chairman was formerly the Steam Boiler Assurance Company, but we had to change the name when we made it a limited company.

1250. Now, are there several other associations of a somewhat similar kind?—Yes.

1251. In what does your association differ from others; from the Manchester Steam Users' Association, for example?—We inspect boilers to the same extent as they do; we have an efficient staff of engineers, inspectors, clerks, and so on, but we pay for the boiler explosions altogether; we pay for the sum insured for, and if there is partial damage, such as the collapse of a flue or any little damage to the shell that cannot be classed as an explosion, we make good that damage; it is about six to one; for every pound we pay for a total explosion we pay 5*l.* or 6 *l.* for partial damage; there are sums as small as 3 *s.* 6 *d.*, and sometimes it is 130 *l.* for partial damage.

1252. You have a greater number of small damages than you have of serious explosions?—Yes, not only a much greater amount in number, but also a greater amount in money; they are 20 times more in money; and in number they are about 40 times as many, and those damages we always make good.

1253. Now, does the insurance element tend as an inducement to parties to have their boilers placed under inspection?—My opinion is that it does, because they have more confidence in the inspection. We have an efficient staff of engineers and inspectors, and as far as I can gather the mind of the public, they think we pay more attention to it than the societies which do not pay in the case of an accident; I do not say that we have better inspection, but I think that the public have an idea that they get better inspection.

1254. What number of boilers have you insured in your company?—We have at present upwards of 12,000 insured; about 12,500 I think.

1255. Do you take the boilers of everybody who applies to you?—No, we insure boilers all over the kingdom and in Ireland; that is to say, we have inspectors in Ireland, London, Edinburgh, Glasgow, and every place of importance, in fact; but when we receive an application to insure a boiler, we have a printed form which we submit to the proprietor, and which has to be returned, filled up, to the head office; the engineer and staff of the head office send their inspector to call and inspect the boiler; if we think it is trustworthy we insure it; but if we do not think it is trustworthy, we do not insure it until we have had it thoroughly inspected. I should say that out of every 100 applications for insurance, we reject about 20, because they will not fulfil our conditions, and will not have the boilers put in order; I think it is right that I should inform the Committee that I am giving that by way of guess only.

1256. In fact, you refuse to take the boiler, if you do not think it is safe?—Yes, we refuse about 30 boilers every month, and we accept about 120; that is within the mark.

1257. You say that you have upwards of 12,000 boilers insured in your office?—Yes, about 12,500.

1258. You have 12,500 boilers actually under inspection?—Yes, actually under inspection.

1259. Are they all inspected?—Yes every boiler is inspected. But some of them we cannot thoroughly inspect on account of the difficulty

difficulty in getting the millowner to stop the working of them, but they are all inspected as well as you can inspect them under the circumstances.

1260. What do you mean by, "as well as you can"?—We examine the outside of the boiler, and inquire with regard to the thickness and quality of the plates, and examine the safety-valve; and, in fact, do all we can without going inside the boiler. In some of the small factories, they cannot afford to stop working, but in large works they generally have a spare boiler or two, and there is no difficulty with them.

1261. But every boiler insured with you is inspected?—Yes, there are about four inspections in the year, and as many thorough inspections as we can get the owner to allow us.

1262. But all boilers have an inspection of some kind?—Yes, we never insure without inspecting the boilers, and we continue to inspect them, as a rule, three or four times a year.

1263. But is there a thorough inspection?—Yes; there is a thorough inspection with a view to ascertaining the thickness and quality of the plates; the age of the boiler, going through the interior of the boiler, through the flues and through the brick flues, and sounding and examining everything; we do not consider that a new boiler, when the water is clean, requires that. We have an idea of the quality of the water in every part of the country, and we are more particular where we know that there is lime or any deleterious substance in the water to spoil the boiler.

1264. I presume you consider that your association has been productive of very much good in preventing explosions?—As far as I can make out, we have fewer explosions than any other society whatever, considering the number of boilers under our care.

1265. But have you had explosions in boilers under your care?—Yes, we have had 20 since the society began.

1266. Probably your chief engineer will be able to give the Committee the details of those explosions?—Yes; I can give a general statement of the causes, but perhaps you would prefer to take it from him; we have been established 11½ years; I wish to state, if the Committee will allow me, I am quite aware that this is a Committee appointed to ascertain the truth, and to be guided by the evidence with regard to the necessary precautions, but as our society has been stated to the Committee as a society having many explosions, I may state the fact that in the Steam Users' Association, to be equal to them we ought to have had 27 explosions as against 20, that is to say, we are better than them as 20 is to 27, in proportion to the number of years that we have been in existence, and the number of boilers under our respective charge; I should not have taken notice of that, but as I have read in the public papers that we do not inspect our boilers, and that we are not so good as they are, I think it is my duty to put forward that statement; I do not say that we are better than they are, but I state the exact facts.

1267. If inspection is so valuable as a means to prevent explosions, do you not think it is desirable that inspection should be undertaken throughout the whole of the country?—Yes, I think it is desirable if you could arrange it properly, but I do not think inspections, however careful they are, will entirely prevent accidents, because the majority of the accidents which we have are entirely beyond the power of inspections to prevent.

1268. In your opinion, would a good and thorough inspection contribute very much to reduce the number of explosions?—My opinion, from all the facts that I can gather from my experience of 15 years, is that if we had good inspections with facilities afforded for the examination of the boilers, there would not be above one-fourth of the explosions that do occur now, but there still would be accidents.

1269. One-fourth would take place, and then only one-fourth would remain, is that what you mean?—Just so.

1270. Then you could remove 75 per cent. of the explosions?—Yes, 75 per cent.; at present we remove upwards of 60 per cent. in our society alone.

1271. But you only take boilers that you consider quite safe?—We naturally wish to take every boiler that we can take that is safe. We have no means of coercion to make the owners put the boilers in good order, but we reject them where they will not do it, and in many cases where we have rejected them we have found that those boilers have exploded shortly afterwards.

1272. Would you propose to make the inspection compulsory?—Not entirely compulsory. It is not for me to legislate, but my own idea is that it would facilitate the safety of boilers; in the first place, if there was some qualified gentleman, who was probably a good engineer, whom you could trust, or perhaps two gentlemen, to attend coroners' inquests, and if there was any palpable error in the verdict he could set it right.

1273. But my question was rather, whether you would consider it desirable that the inspection should be made compulsory, and if so, how you would propose to have the inspection carried out?—It would be better to have a compulsory inspection than none at all; but I think that manufacturers would reckon it a great evil to have a Government compulsory inspection. The object of the first association established under Mr. Fairbairn, was to prevent Government inspection.

1274. But I am not assuming Government inspection, but compulsory inspection of some kind?—I would rather have compulsory inspection altogether than none at all.

1275. Assuming that compulsory inspection were established, how would you carry it out?—I should propose, as I was saying, to have a gentleman or two gentlemen appointed to attend coroners' inquests referring to boiler accidents, in order to sift the evidence and examine the boiler, and to see that the verdict of accidental death (which is the usual verdict) was not brought in when there was some glaring culpability on some one's part; and that the party who was to blame ought to be blamed, and that the engineer or the party appointed should have the power to prosecute that party, in spite of the verdict, if he thought fit.

1276. Who should, in your opinion, appoint that officer, or their officers?—I think the Government should appoint them.

1277. Mr. *Birley.*] Do you not think that that would be a very dangerous interference with the coroner's jury, and would it not almost be better to have a different tribunal?—It might be; it would amount to a different tribunal; in case of a coroner's jury bringing in a very wrong verdict, he could take up the case, and be a kind of public prosecutor.

Mr. *W. McNaught.*

7 July 1870.

1278. You seem in that almost to supersede the functions of the coroner's jury, do you not?—As far as I know the proceedings of coroners' juries with regard to boiler accidents, it would almost be better to have no inquiry at all.

1279. Would it not be better to have a different tribunal altogether in such cases?—I have not considered that, but I think coroners' juries would then be more careful to return true verdicts, and then, if there was anything glaringly wrong, the officer should have the power to take up the case the same as the Lord Advocate in Scotland has.

1280. He would, in fact, be a public prosecutor?—Yes, he would be a public prosecutor; in the case of its being brought to his knowledge, that any boiler was being worked in an unfit state, he should have power to compel the proprietor to allow an inspection; you cannot inspect, unless you have power to compel the owner to stop the boiler and cool it.

1281. But that is Government inspection at once, is it not?—It is a very mild form of Government inspection; Government inspection would be to have a whole staff of inspectors like excisemen going round every mill in the district, and ordering every boiler to be stopped whenever they pleased, and that would almost ruin the owners.

1282. But is not a mild system of inspection objectionable on both sides; might not the inspecting side feel that it had too little power, while the side inspected fancied itself unduly interfered with?—It comes back to the old thing; there is an Act of Parliament, I believe it is Lord Campbell's Act, where, if there is any life lost, or any injury done, the person causing the injury can be prosecuted; if that Act of Parliament was enforced, there would not be much necessity for Government inspection, because the millowners would take care that their boilers were kept in good order.

1283. If there be anything like fatal accidents, then you think the Government inspector should step in, and you believe that the apprehension of that interference would prevent a great many accidents?—I think it would; it would make people more cautious in inspecting their own boilers; of course, it is only in fatal accidents that a coroner's jury is called in at all.

1284. Colonel *Gray.*] You say that you think compulsory inspection would be better than none, but you have not formed an opinion with regard to how that compulsory inspection should be carried out?—In all things you cannot go into a subject like that at once. You gain ideas by experience, and I think that the views which I have already stated are all that I could lay before the Committee.

1285. But could not something of this kind be done to make it imperative that all steam users should have some certificate granted to them, which would only be granted on the inspection of the boiler?—It depends on the party who grants the certificate. The party who granted the certificate should be thoroughly competent, and would require to be licensed by the Board of Trade, after undergoing a thorough examination. The difficulty would be to find people in every part of the country that had sufficient experience. They would require, not only to be good engineers and mechanics, but to have a scientific knowledge of the construction of the vessels, and how to contend against the different strains they were subject to.

1286. You must have a large staff of inspectors if you have 12,000 boilers insured in your office, and you inspect them three or four times a year, all over the kingdom, must you not?—Yes; we have a chief engineer and five assistants. All of those are first-rate, thorough engineers; then we have 26 or 27 inspectors, I do not know which; we reckon that we must have one inspector for 500 boilers.

1287. What do you pay your inspectors?—We pay our staff of inspectors, which is under the immediate surveillance of the engineering staff in the office, from 120 *l.* to 150 *l.* a year, and all their travelling expenses and hotel bills and everything.

1288. What do those in the office get?—They begin with about 200 *l.* a year, and go up to 600 *l.* or 700 *l.* a year, but the average might be in the office about 350 *l.* a year. They must be good men, of course, for their duties.

1289. What do you charge per boiler to the persons insured?—We charge according to the quality of the boiler. If we insure a boiler for 100 *l.*, and if the pressure is under 40 lbs., we charge 20 *s.* a year for inspection and insurance.

1290. What do you charge above that rate?—When the pressure comes above 40 lbs., we charge 25 *s.* We do not increase the rate after that, because we have the option of not taking the boiler unless we think it is trustworthy. If we once insure a boiler, whatever the amount, we insure for the whole year, even if the owner does not continue to comply with our rules; but if at the end of the year our rules are not complied with, and they do not think right to make the boiler safe we cease to insure.

1291. Have you any locomotive boilers insured in your office?—No, we do not insure locomotive boilers; we do not consider it necessary.

1292. If there were a Government inspection, that would rather interfere with the operations of your society, would it not?—It depends on circumstances. Our society has been in existence for 11½ years. We pervade the whole of Great Britain and Ireland. We have a large staff, and we know our business. I think if the Government were going to insure boilers themselves, it would be their duty and their interest to adopt, as far as possible, the existing societies.

1293. The Government would not insure boilers, they would only inspect them, would they not?—I suppose that would be so. Suppose, again, the Government, went in for compulsory inspection, as they used to do long ago for compulsory vaccination, the Government did not employ medical men of their own, but they accepted any recognised surgeon with a certificate, and that would simplify operations very much. That is one view of the subject for the Committee to consider.

1294. Mr. *Platt.*] Do you not think it would be a great advantage to the community if every boiler was inspected before being brought into use?—I think it would be an advantage, and a very great advantage to the community, if every boiler was inspected before it was brought into use; but I do not care too much about inspecting boilers on the makers' premises, for if it has even to be conveyed five miles, a boiler weighing 12 or 14 tons, the strain of lifting it on the waggon and conveying it to the place where it is intended to stand, and the shifting it (however tight it may be in the maker's yard), gives it a strain in the

the transit. It should be tested on its site before it is bricked in.

1295. But my question was more general than that; you, no doubt, are aware that a great many boilers, what I will call bad boilers, which are unscientifically constructed, are now made throughout the country; if those boilers were inspected before being brought into use, those original faults of mal-construction would be discovered, would they not?—Yes, they would be discovered, provided the inspectors were sufficiently up to the business, which I suppose we must assume.

1296. Then in that case the question of compulsory inspection is an absolute necessity, is it not?—That is for the Committee to decide. I think inspection would be an advantage. When our society was first instituted, that was part of our business. We said that we would examine boilers, and give a certificate with reference to their trustworthiness, but I do not think that we had more than a dozen applications.

1297. Without going into the question, who should grant those certificates, would it not be an advantage that every boiler, before it was brought into use, should be certified by some one?—Yes, it would be an advantage that the boiler should be certified, but that would never obviate the necessity for continual inspection. With a new boiler, however good it may be, if the water is wrong, it may silt up the part of the boiler exposed to the fire, and burn it in a short time; you would still require continual inspection. If the idea of this inspection of new boilers was to supersede in the minds of the boiler users the necessity for continual inspection, that would do an injury.

1298. I thought you were not very decided about compulsory inspection, and therefore I simply press the question again home to you; but the next question (which I was going to put) is, whether periodical inspection is not absolutely necessary in order to keep people up to the mark?—Yes, we find it so; but there are many causes for boiler accidents. There was a remarkable case within our experience, of a boiler turning a high-pressure engine; where the feed-water is heated by the waste steam it is sure to form a deposit on the boiler, and burn it in the course of two or three months, so that we will not insure a boiler that is supplied from feed-water heated by waste steam; the grease and oil often finds its way to the water, and it finds its way to the boiler; I have seen a very thick deposit; it is generally over the fire-place, so that no inspection would make it safe.

1299. Were you the original founder of your society?—No; I was originally vice-chairman. I was one of the first members, but I was an honorary member of the other society.

1300. Did your society originate with some other society, or is it a society which originated within itself?—I believe it originated with the same people. Mr. Forsyth, who was killed in a boiler explosion at Messrs. Sharp, Stewart, and Company, was one of the originators of it. But the origin of Sir William Fairbairn's society was this: there was an explosion of a boiler in Rochdale. I was employed by one of the parties, and Sir William Fairbairn was employed by the other, and we went together frequently to Rochdale, and had a good deal of talk about it. Mr. Fairbairn was anxious to get up a society, so as to prevent Government interference. I suggested that an insurance society would be better. I said, "Let the inspection be the same, but let the parties who inspect, back their inspection by paying, if they make any shortcomings."

Mr. *W. McNaught.*

7 July 1870.

1301. But as you did not originate this society, did you pay anything for the good-will?—No, I paid nothing for the good-will; I was one of the original members.

1302. And the society itself paid nothing, I suppose?—No, it paid nothing; because I was one of the original members.

1303. What dividend, may I ask, have you paid?—We have never paid more than 10 per cent. But the first two years we saw ruin and starvation staring us in the face. We had to make calls, and we had the shareholders howling about us. I should never like to go through what we did again. But eventually we got round the corner, and since that we have done very well.

1304. Do you insure for loss of life?—Yes.

1305. Have you ever been called upon to pay for loss of life?—I am not aware that we have; they do not avail themselves much of it.

1306. That is a separate rule, I suppose?—Yes; that is a separate rule. We also insure the whole of the mill hands for a trifle against accidents; or if the boiler sets fire to the mill.

1307. You insure the boiler?—Yes.

1308. Do you insure any other portion of the building?—Yes; to the amount covered by the boiler; but if we insure the fireman, we have a separate rate for insuring the firemen and engineers, and also a rate for the mill hands.

1309. But my question was not merely with regard to the firemen, but with reference to the public generally, and those who might be working at the mill, and passing by?—No, we do not insure them. We insure the whole of a cotton mill with a certain number of hands for a very trifling sum.

1310. That is to say, all the people working in the mill or manufactory?—Yes, all the people working on the premises.

1311. But not the people passing and repassing?—No, there would be no object in doing that, because they are so seldom there.

1312. What is the highest amount that you go to in that way; is it per person or in a lump sum?—I think 50 *l.* is the usual sum that a fireman insures his life for; but we do such trifling business in that way, that it is scarcely worth while mentioning it.

1313. If you had a large mill with a thousand people at work in it, would you insure it to the extent of 50,000 *l.*?—No, we do not insure mills at all.

1314. I thought you said that you insured the workpeople in mills?—Yes, we insure their lives.

1315. Suppose there were 1,000 persons; how much would you insure?—We only insure the lives of the workers about the mill or about the boilers, on condition that the damage arises from a boiler explosion; if a boiler explodes and sets fire to a mill, and some of the workpeople perish from the fire, we should be bound to pay the life insurance.

1316. But what is the number that you limit yourselves to?—I do not know; Mr. Longridge may have the particulars, but we do so little in that way that it is scarcely worth while calling it a part of our business. The workpeople seem to be very apathetic in taking advantage of it.

1317. After, for instance, a person has been insured with you for a number of years, if you

Mr. *W. McNaught.*

7 July 1870.

go to his place and find that his boiler is defective, and you impose certain conditions on him which he refuses to comply with, what is the case then?—The case is then that we try to persuade him, and when the policy lapses at the end of the year we will not renew it unless he complies with our conditions, and in many cases (I daresay our engineer can give the Committee all particulars) the boilers have exploded.

1318. Suppose the steam user puts in a counter-statement from an eminent engineer to show that the regulations you make are not necessary, what then?—We acknowledge no engineer but the one who is acting on our part; we consider that we have sufficient knowledge to enable us to determine.

1319. Mr. *Lancaster.*] You say that you attach more importance to the inquiry before the coroner's jury enforcing Lord Campbell's Act than to inspection; is that so?—That is not my meaning; my meaning is, that the enforcement of Lord Campbell's Act would induce people to attend better to the inspection.

1320. You do not mean that that would be a good substitute for inspection?—No, but it would induce people to inspect more carefully.

1321. You are aware, are you not, that Lord Campbell's Act is applicable to loss of life arising from explosions?—Quite.

1322. I presume that you have no amendment to propose on that point?—No, I have no amendment to propose except to carry it out as well as you can.

1323. The coroner's jury inquiry is not a final inquiry, is it?—I believe not: but the difficulty is, that poor people have not the means to assert their own rights. The poor man who is killed is not there to tell the story, and very often he is blamed when the blame lies in the construction of the boiler, and in the owner of the boiler not putting sufficient means in the hands of the engineer or foreman for the safety of the boiler.

1324. You see no difficulty in enforcing that Act of Parliament against railway companies. Poor people enforce it frequently against railway companies, do they not?—No doubt; and I cannot see any reason why it is not enforced under the other circumstances. But, generally speaking, if you take a mill district, and even iron works, there are whole families working in the district, and the prosecution would be generally against the proprietors; and although there is only one man or two men killed, they may have 20 or 30 relatives working in the mill or manufactory; and they may feel a considerable difficulty in endeavouring to make the proprietor pay a penalty for the loss caused.

1325. That is your opinion, is it?—That idea was evolved from your question.

1326. Are you acquainted with the mode of inspection adopted with regard to marine boilers?—I ought to be, for I have been consulting engineer to some of the largest steamboat companies in the kingdom.

1327. Do you see any difficulty in applying the same rule of compulsory inspection of boilers belonging to all steam engines as you do in marine boilers?—I have not given that subject any thought until this morning; but if you take first-class steamboats, they generally have a chief engineer who is paid at the rate of about 300 *l.* a year.

1328. That is not the point; is it not the case that, previous to steamboat boilers being certified, a competent engineer, appointed by the Board of Trade or otherwise, inspects those boilers?—Yes, he does; I am aware of that.

1329. And a certificate is given that the boiler is a safe boiler to work with that pressure, is it not?—Yes, that is right enough, and I think it would do no harm to inspect land boilers on the same principle; but land boilers are generally made quite round, whereas marine boilers are forced to be made in all forms, and very often flat, owing to the form of the vessel; but there is more necessity for the inspection of a marine boiler at first, even than a land boiler, and there is less necessity to continue to inspect it when once it is started, because the staff on board the steamer are all well-qualified engineers, and on board a large vessel they have at least five engineers.

1330. The marine inspection takes place periodically, does it not?—Yes.

1331. And as far as you know, that inspection has been satisfactory?—There have been very few accidents in marine boilers hitherto.

1332. Do you see any reason why something similar should not be adopted with regard to land boilers?—The harbours at which marine engines are made are very few, compared with the places where land boilers are made, and you would require a much larger staff to inspect all the land boilers.

1333. But in your opinion, would it not be proper to enforce a system of inspection on land boilers similar to that on marine boilers?—Yes; I have already stated that it would be advisable to inspect all boilers before they are passed.

1334. That would be a compulsory inspection, would it not?—Of course, it would be a compulsory inspection.

1335. If a compulsory inspection of boilers took place periodically, after they set to work, do you think in that case that people would insure their boilers?—I do not know; I never gave that a thought.

1336. You cannot give an opinion on that point?—No, I cannot give an opinion on that point; they might insure them in addition.

1337. But you do not feel sure that they would do so?—No, I do not feel sure that they would do so.

1338. Do you not think that such an inspection would deter people from insuring?—I think the object of insuring them is to obtain good inspection, and they would get better inspection from insurance companies than from the companies that do not insure.

1339. But my question is this: you say that an inspection is necessary?—Yes.

1340. If the inspection is made compulsory, would it, in your opinion, tend to prevent people from insuring their boilers?—I really cannot tell.

1341. Mr. *Armitstead.*] You at first spoke of the small damages which you have to pay in a great many cases?—Yes.

1342. What do the small damages consist in, and how do they arise; that is to say, what do you call small damages in contradistinction to large damages?—I should say that a small damage is what very often happens. We recommend fusible plugs in all boilers; but they do not always put them, and unless they are kept in good order, they may be inoperative. A fusible plug that a man gets it into his head to trust to, is worse than none at all, because unless it is cleaned once a month or so it is inoperative; small damage is when the water

water gets low, and the crown of the boiler comes down a little; sometimes it does not damage the plate at all, but it brings down the crown of the furnace, and it becomes out of a circular shape; in many cases we can get at the heated plate and straighten the furnace up, and it is as good as ever, but sometimes the plate is cracked; we only pay damages for explosion of the shell, or collapse of a flue; we do not pay damages for wear and tear. Every month we have to pay on an average about 16 of those small damages, sometimes as low as 3 *s.* 6 *d.*, and sometimes it goes up to about 130 *l.* We always restore the boiler to its original state; we have two or three inspectors of boilers travelling about the country, and they are telegraphed for whenever there is any accident, and if the boiler is repairable they go and superintend the repairs.

1343. You call them small damages when it does not actually come to an explosion, do you? —We have some explosions where we have only about 40 *l.* to pay, and we have some small damages where we have to pay 140 *l.*

1344. You have stated that 20 boilers out of a 100 you have to refuse?—About that; it may be 15 out of 100.

1345. Can you state the principal reasons for that refusal?—Sometimes they will not give us an opportunity of a thorough inspection when we doubt the boiler, and there are many reasons; sometimes the pressure appears too great, and in some cases we want the flues hooped, in order to make them stand the strain; sometimes the boiler is too far gone by corrosion to be trusted, and unless they will take out the defective plates, and put the boiler in proper working order, we refuse to have anything to do with the boiler.

1346. You refuse to insure if they will not conform to your regulations?—If they will not conform to our regulations for the safety of the boiler.

1347. Do you not think that coroners' inquests would have proved more satisfactory if scientific men had attended, and pointed out to the jury the real causes of explosions?—Yes, I think so; and I have already stated so in answer to a question put to me by the honourable Chairman.

1348. Do you think, for instance, if the Board of Trade sent a scientific man to every accident that occurred, and he drew the attention of the jury to the real causes of the accident, that juries would give more satisfactory verdicts?—Yes; I think the person sent down ought to have some power given him independently of merely reporting on the accident, and he should have the power of forcing the owner, when required, to allow an opportunity for a thorough inspection. It is a great calamity that we do not always get those opportunities given us.

1349. The gentleman so appointed would point out to the jury the true causes of the accident? —Yes, and he should be a man without local influence.

1350. If there is any neglect on the part of the steam user, the jury might know it through this scientific officer, and give a verdict accordingly?—Yes, or if there is any neglect on the part of the engineer or the fireman.

1351. Mr. *Tipping.*] You said that the majority of accidents that occurred to your Company were independent of inspection; did you mean by the majority, explosions or all kinds of accidents?—I mean by an explosion, where the boiler is ruptured, and made useless. But as chairman of the company I have a book containing a list of those things, and I find that every month we have to pay sometimes as many as 17 bills for damages, and against every bill I write in my own handwriting the cause of the damage. That shows that the majority of small cases are from want of water, and no inspection can prevent that, because it depends on the firemen's attention.

1352. May I conclude that the majority of the accidents which inspection cannot prevent, arise from carelessness?—About one-half of them do.

1353. You said that the majority of the accidents could not be prevented by inspection, but that universal inspection would reduce the accidents down to one-fourth, did you not?—No, I did not say the majority of the accidents; but a great many of the accidents cannot be prevented by inspection. But if our company had more facilities for examining the boilers (I do not say compulsorily), we could prevent more accidents. The millowners, some of them having only one boiler, they must keep the boiler going on, or they might become bankrupt in bad times, because the merchant in Manchester refuses to take the goods sometimes on the plea that they are not delivered in time. In many cases it is very difficult for a poor man to stop his boiler. I will take a few cases of damage. There was one in Halifax from unequal expansion of the plates; that is to say, if there is a very long flue and a hot furnace, the plates bend, and continue bending, like a piece of paper. There was another at an iron company. The immediate cause was unbroken seams; that is to say, the boiler was made without the plates overlapping each other. One at Morley from faulty material; another at Claypole, Claypole's, of Leicester, from corrosion; another was from deterioration, and so on; one at Newcastle from faulty repair; another, deterioration; another, corrosion, and so on; another, overheating and spoiling the iron; another, deficiency of water; another, deterioration and deficiency of water, and so on; internal corrosion, deterioration, faulty repairs and so on; those are a few specimens. About half of them were from deterioration, some from want of water, and some from faulty construction.

1354. Do you think, from your experience, that the most dangerous class of boilers in the country are the class which do not come to your company or similar companies at all, or come in less proportion than the better class of boilers; or do you think that you insure what you may call a fair average of the boilers of the country?—I think that we ensure a fair average of the boilers of the country, but I think that the Fairbairn Association had a better class than we had, because the company was got up principally by wealthy proprietors in the neighbourhood of Manchester. They were only a local association at first; they did not go more than 35 miles round Manchester; of course, eventually, they extended further; but I could name a number of the first associates of the institution; they were all large firms, and they could afford to have a boiler or two boilers stopped for repair and examination; therefore, there was not so much chance of an accident with them for a number of years as with a company like ours going over the whole of Ireland and England; I think we ensure about a fair average of the boilers.

1355. Lord Campbell's Act with regard to prosecution for accidents, is a permissive Act, is it

Mr. *W. McNaught.*

7 July 1870.

it not?—Yes, it is, for the relatives of those that are injured, to apply.

1356. Would you make it compulsory?—I would have a scientific gentleman to attend at the coroners' inquests, to give information as I have already stated; and to report to the Government, and the Government might do what they liked; I think something should be done in that direction. I think that would almost cure the evil without any compulsory inspection, for people would, in that case, have good people of their own to look after their boilers, or else apply to some of the companies to do it for them.

1357. Sir *T. Bazley.*] Have the Boiler Associations of Manchester contributed by their inspections to increase the safety of the public, do you think?—Yes, I do think so; I think, on an average, they have increased the safety of the public more than 50 per cent.; about 60 per cent.

1358. You are favourable to the extension of that principle to the whole of the country where boilers are used, are you not?—I think it would act very well if it was encouraged to expand. That is to say, if we are encouraged so that we could obtain more facilities for inspecting boilers, and if Lord Campbell's Act was carried out, not stringently, but fairly.

1359. And if the Legislature required that every steam user should possess a certificate that the boiler was in a perfect condition, I suppose?—Yes, that would be a good thing, but that certificate should be renewed about every quarter of a year, because no man can tell whether a boiler is in good order without an inspection in three or six months after.

1360. Probably you would require the certificate to be signed by a competent person every six months, say?—Yes, that would be a good thing.

1361. You stated, you feared that in some districts of the country, a talented engineer could not be found for inspecting the boilers?—In some of the districts where there is not much machinery you could not depend on the engineer, if you employed a local engineer with local interests and influence, a small man, I think you could not depend on his report; he would be apt to have a bias in favour of the parties using the boilers.

1362. In the case of Manchester, the chief engineers are the engineers of your own company, and the Steam Users' Association, they are not what may be called Manchester engineers, are they?—No; I meant the acting inspectors; those that creep through the boilers and into the flues.

1363. But cannot talented engineers be obtained in every district of the country, from what I may call the engineering market?—Certainly; but I thought in licensing them, and giving them certificates, it might be the same as you license gas or water-fitters; you cannot expect a labouring man to go and give the certificate; you would require to be very careful as to who gave the certificate.

1364. The Manchester Associations have had a local origin, have they not?—Yes.

1365. Could not there be local associations all over the country?—No doubt.

1366. Do you not think that sound opinions would be obtained generally from engineers who had no connection with the Government whatever?—Yes, but I think that there should be some central board, or the Government should license them; I mean that they should not let all and sundry go in.

1367. Yet, in Manchester, that association originated without the assistance of the Government in any way whatever, did it not?—No doubt.

1368. Why cannot all the other parts of the country do the same thing?—Sir William Fairbairn was a thorough engineer; I think it could be done in the same way. I think there are no associations in Scotland at all, but I think there are four or five in England.

1369. If we had an Act of Parliament compelling every user of steam to possess a certificate, would they not form themselves into bodies that would pursue the same system as that in Manchester?—Yes; the first association that I knew of was in Blackburn, when the late Mr. Kenworthy was connected with it; they had an association three years previous to the Manchester Association. But when Sir William Fairbairn's institution began, the Blackburn association thought it was no use their continuing their operations, and they gave up and merged into the Manchester one; so that that is an argument against the multiplication of local associations.

1370. But you are decidedly in favour of periodical examinations of boilers, are you not?—Certainly.

1371. Mr. *Hermon.*] I understood you to say that in cases of coroners' inquests, you would insist on a Government inspector being sent down to assist at the inquiry?—Yes; some gentleman representing the Government, or some officer appointed. I should say that he should be a permanent officer.

1372. You also said that he should have the power to order an inspection of boilers?—Yes; when supposed to be required.

1373. But how is this inspector to know when such an inquiry is supposed to be required?—It is wonderful the knowledge that common firemen now possess with regard to both steam-engines and steam-boilers. In Oldham you find common workmen who are just as well up as some consulting engineers in this matter. At all events, they have a fair knowledge of the subject, and there are always men about the place who have an idea when a boiler is dangerous. I would allow a man whose life depended on it to ask for an inspection.

1374. You would recommend that this inspector sent down by the Government should have power to act promptly, without any suggestion from the coroner's jury or the coroner himself, I suppose?—Yes.

1375. Mr. *Fielden.*] Did I understand you to say that you were in favour of compulsory inspection?—No; I would rather avoid compulsory inspection, if I could; but I would rather have compulsory inspection than no inspection. I would like to facilitate spontaneous inspection.

1376. To put it broadly; if we had compulsory inspection, would you entrust it to a central authority emanating from London, or would you entrust it to voluntary associations?—I do not see how you could have compulsory inspection with voluntary associations.

1377. Could it be done in this way; by a Government official licensing those voluntary associations to inspect, and giving them a certificate?—Yes, I think that would be the way in which it would be most effective, and give the Government the least trouble.

1378. That

1378. That would be better than a central association in London, would it?—Yes, I think so.

1379. Would it be necessary, under those circumstances, in case of a large boiler explosion, at all events, attended with loss of life, that the Government inspectors should attend to see that those associations had done their duty?—Yes, I think it would be necessary that the Government inspectors should attend to see that those association had done their duty; also to see that the factory owners had done their duty, and that the workmen employed to take care of the boilers had done their duty.

Mr. W. McNaught. 7 July 1870.

1380. That is to say, on the plan on which Government inspectors attend in cases of railway accidents now?—Yes.

1381. *Chairman.*] Have you anything further to state to the Committee?—No.

Mr. Robert Bewick Longridge, called in; and Examined.

1382. *Chairman.*] You are a Mechanical Engineer?—I am.

1383. You have had a good deal of experience in the inspection and management of steam boilers?—Yes.

1384. I believe that you are chief engineer and manager of the Boiler Insurance and Steam Power Company (Limited)?—I am chief engineer and manager.

1385. Were you previously to that connected with the association now called the Steam Users' Association?—I was appointed chief inspector when it was first formed.

1386. That was in the year 1855, I believe?—Yes, it was in 1855.

1387. You remained with the Steam Users' Association until the end of the year 1858?—Yes, I remained with them till the end of the year 1858.

1388. Were you succeeded by Mr. Fletcher?—No, I was succeeded by Mr. Harman.

1389. Will you be kind enough to state to the Committee your reason for leaving the original association?—The association did not make much progress, and at that time it had only about 1,560 boilers under inspection, and I did not see much prospect of its extending its business, as at that time they limited the operations of the association to 35 miles round Manchester. As I did not see any prospect of its extending, I resigned the appointment.

1390. Had you reason to believe that the insurance which was contemplated in connection with the inspection was calculated to diminish the number of explosions, or to improve the inspection in any way?—Yes, I thought that if they also insured they would be able to extend their operations very considerably.

1391. I believe that you have had proposals for the insurance of a great number of boilers?—Yes.

1392. About what number?—About 22,500.

1393. How many of those boilers have been accepted?—The exact number of proposals was 22,570, and we accepted 19,502.

1394. Why were the remaining 3,068 refused?—Many of them had not efficient mountings; some of them were in a bad condition. In some instances the firm were not willing to pay the rate of premium that we charged, and some of them changed their minds, and thought it not worth while insuring the boilers.

1395. Did you endeavour to induce parties to comply with your conditions, so as to bring the boilers under inspection?—Yes; we always pointed out the defects, and advised them what to do, and said we would then insure the boilers.

1396. But they did not think it worth while to insure them?—Just so; they did not think it worth their while.

1397. Have there been any explosions of boilers under your inspection?—Yes, we have had 20 explosions altogether.

Mr. R. B. Longridge.

1398. What description of works were they where those boilers exploded?—There were eight in iron works, five in collieries, three in cotton and woollen mills, two in bleach and dye works, one at a corn mill, and another at a gunsmith's.

1399. What description of boilers were they generally?—Ten of them were plain cylindrical boilers, with hemispherical ends, which are the boilers commonly used in iron works and collieries.

1400. What were the other 10?—The other 10 were boilers with internal flues.

1401. What was the cause of the explosions in those boilers respectively?—In the plain cylindrical boilers, four of them exploded from deterioration of the iron, two from injudicious repairs, three from overheating, owing to accumulation of deposit, and one from internal corrosion, owing to the presence of acids in the water.

1402. With regard to the flue boilers, what was the cause of the explosions?—One was from malconstruction, owing to the man-hole having no strengthening ring round it, one from faulty material, the plates being little better than cast iron; one was from unequal expansion, owing to the steam being raised too rapidly on a frosty morning, one from injudicious repairs, two from corrosion of the plates on the underside of the boiler, and four from negligence of the attendants (letting the water get too low).

1403. Would not a good, thorough inspection have prevented a number of those explosions?—The only explosions that could have been prevented were those from corrosion; the deterioration of the plates you cannot detect; that is to say, deterioration in the tensile strength of the plates.

1404. Mr. *Hermon.*] Could you not have detected that by drilling?—No; you have no means of ascertaining that, unless you cut out a plate and break it.

1405. *Chairman.*] With regard to the explosions from the use of faulty materials, to whom do you attribute the blame?—In reference to the explosion which resulted from the use of faulty material, by which nine lives were lost, I may mention that at the inquest the merchant who supplied the plates stated that he sold them as ordinary merchant iron, for the quality of which he considered himself in no way responsible; the boilermaker, of course, would know that it was not suitable for the purpose.

1406. Then the boilermaker of course would be greatly to blame, would he not?—Yes, he was decidedly culpable, but there was no means of knowing that until after the boiler had exploded.

Mr. *R. B. Longridge.*

7 July 1870.

1407. What number of boilers have you under inspection at this moment?—The total number of boilers under the inspection of the company on the 30th June last, was 12,688.

1408. Have you formed any idea of the number of boilers that there are in the country?—I think there would be about 100,000.

1409. What proportion of that number would you say were in connection with steam-engines; that is to say what you would call power boilers?—I am merely speaking of those connected with steam power.

1410. Would you not assume that there were very large numbers that were not in connection with steam-engines, but which were used for generating steam for other purposes?—I am including all bleach and dye works, and so on.

1411. You include those in the 100,000?—Yes, I include those in the 100,000.

1412. Do you not consider that boilers in connection with steam-engines, as a rule, are safer than those not in connection with steam-engines; is there not, generally speaking, a skilful attendant on a boiler, where there is a steam-engine, while, it may be, simply a fireman in the other case?—Where there is only a single boiler you often find an incompetent man; but if there are a number of boilers, generally you have a man that is more competent.

1413. Do you know the number of explosions that take place at the present time, annually?—They average about 50 explosions and 80 deaths. That is the average for the last 11½ years, since the company has been formed; it would be a little more, perhaps, but those are what I actually know of.

1414. It is simply like a death being caused by a boiler explosion every fourth working day in the year, is it not?—Yes; pretty nearly. The actual number I have got amounts to 581 boiler explosions, causing 922 deaths in 11½ years. There have been others, no doubt, of which I have got no account.

1415. Mr. *Platt.*] Those were stationary boilers, I suppose?—One or two of them were steam-tugs in the Thames and at Bristol.

1416. *Chairman.*] At present there are 50 explosions every year, you say?—Yes.

1417. And you say that there are 100,000 boilers in the country?—Yes.

1418. That would be one in every 2,000 boilers?—Yes; about that.

1419. What rate of explosions are there in connection with boilers that have been insured?—In those that we have insured the rate has been one in 4,600.

1420. That is to say, those insured in your office?—Yes.

1421. Do you know the number of explosions that took place last year?—Last year there were 63 explosions.

1422. What did those explosions proceed from generally?—Nineteen were from malconstruction, and partly also in some of those cases from deterioration in the quality of the iron; 19 from corrosion of the plates; nine from negligence of the attendants; three from over-pressure; two from injudicious repairs; two from over-heating in consequence of accumulation of deposit; there was one accident from the dome of a locomotive coming in contact with the arch of a tunnel, and the other eight I did not obtain particulars of; that makes a total of 63.

1423. The chief causes of explosion seem to be malconstruction, faulty material, deterioration in the quality of the iron, and corrosion?—Yes; what I mean by deterioration is the plates losing their tensile strength after being exposed to fire for some years.

1424. You must have given the matter a good deal of attention with a view to the prevention of those accidents, because I believe it is on record that the deaths which now occur from the explosion of steam boilers are three times as large as those caused by all the railway accidents in the country, is it not so?—I cannot state exactly.

1425. But such being (as it is) the case, it is a most important subject?—Yes.

1426. Have you any scheme to suggest to the Committee on that point?—Yes, I have; what I would suggest is, that one or more engineers be appointed by Government as inspector or inspectors of boilers, to investigate the cause of every boiler explosion which may take place. In case of any personal injury being sustained by an explosion, the owner of the boiler should be required to give notice of the same, by post, within 24 hours, to the Government inspector, or failing to do so, should be liable to a penalty not exceeding 20 *l.* The inspector should, on receipt of the notice, himself make an examination of the boiler, and should, in case of any death resulting from the explosion, be empowered to call any witnesses he might think fit to give evidence before the coroner. Wherever, in the opinion of the inspector, there was conclusive evidence of culpable negligence, but nevertheless the inquisition resulted in a verdict of "accidental death," as would frequently be the case, the inspector should, with the sanction of one of Her Majesty's Secretaries of State, prosecute those deemed culpable, as is now done by the Government inspectors of mines under similar circumstances. If the owner of the boiler were convicted, the relatives of the deceased would doubtless avail themselves of Lord Campbell's Act to obtain compensation. The inspector should have power at any time to stop the working of any boiler for thorough examination, by giving notice in writing to the owner thereof, who should be required to have the boiler properly cleaned, and the flues swept by the time appointed, and also, if specially required, should remove any brickwork or covering of the boiler that the inspector might deem necessary. If, the owner should object or neglect to make the necessary preparation for such examination, he should be liable to a penalty of 1 *l.* for every day beyond the day appointed, during which he might so neglect. The inspector should be authorised to employ any competent man he might think proper to make such thorough examination, the fee for which should be 20 *s.*, and should be paid by the owner of the boiler. If, after such examination, the inspector should consider the boiler in a dangerous condition, he should give notice in writing to the owner thereof, specifying the particular defects, and requiring him forthwith to remedy the same or replace the boiler. If the owner should deny the dangerous condition of the boiler, and object to replace it, or remedy the defects, he should be required within three days after the receipt of such notice, to give notice in writing of such objection to the inspector; and further proceedings should be taken for the determination of the matters in difference by arbitration. When the matters in difference had been determined by arbitration, then if after the owner had been furnished with a copy of the award, attested by the inspector, he should neglect

glect forthwith to take proper and active measures for removing the danger, he should be liable to a penalty of *5 l.* for every day after the receipt of such copy of the award during which he might so neglect. All penalties to be recovered in a summary manner before two justices of the peace, or in Scotland before the sheriff of the county or place where the offence had been committed. If this course were adopted, I feel convinced that the periodical inspection of steam boilers would soon become general, and boiler explosions would be of rare occurrence.

1427. You think that what you have proposed would prevent a great number of those explosions?—I think that all that it is possible to prevent might be prevented in that way.

1428. Are you of the same opinion as the previous witness, that 75 per cent. of the explosions could be saved by such a plan?—I think you would reduce them to about 1 in 5,000; I do not think that you could reduce them below that, because you cannot detect the deterioration of the iron, and you cannot prevent negligence on the part of the attendants.

1429. Can not you detect deterioration even by the most careful inspection?—No.

1430. Dr. *L. Playfair.*] When you say that periodical inspections would soon become general, do you mean an independent local periodical inspection, and not an inspection from any certified authority?—Yes, I mean that the owners would employ some one to inspect the boilers for them; I think it should be left to their own option to employ whom they thought fit.

1431. I think your plan is based on not diminishing the responsibility of the steam users?—It is.

1432. At the same time you entirely agree in the importance of periodical inspection?—I do.

1433. In fact, your system of insurance involves inspection also?—Yes.

1434. I suppose that is the reason why you have had so few explosions?—Yes, it is entirely attributable to inspection.

1435. Is it not the case that the Manchester Association have had practically no explosions at all?—During 15 years they have had seven explosions, causing nine deaths; I mean the Steam Users' Association.

1436. Sir William Fairbairn stated to the Committee that there was not a single case of loss of life, did he not?—If he stated that he was in error; he had forgotten.

1437. Mr. *Hermon.*] Have you seen the fusible plug that was exhibited by Mr. Hiller the other day?—No.

1438. You understand the nature of the fusible plug, I suppose?—Yes.

1439. Suppose that fusible plug became thoroughly coated with deposit, would it not be perfectly inoperative?—Yes; it would be entirely useless.

1440. You spoke just now of a boiler that burst owing to being made of very improper iron to be used for boilers?—Yes.

1441. Did the coroner's jury find fault with the maker of the boiler for having used material in the manufacture of the boiler which he knew was not suitable for the purpose?—No; I think he was not blamed at all. The verdict was accidental death.

1442. If a Government inspector had been present, do you think the result would have been different?—I do not know. I am very doubtful about coroners' juries, because, even on the clearest evidence, they acquit.

1443. In your Boiler Insurance and Steam Power Company, I think you have stated that the proportion of explosions has been one in 4,600?—Yes.

1444. Mr. *Fielden.*] You prefer the system that you have sketched out, to having local associations duly certified by competent officers to inspect?—I do.

1445. But you think that in all cases of explosion, it is desirable that some independent person duly qualified should go down to inspect the boilers, and report upon them?—Yes; it is absolutely necessary, I think.

1446. He would be a Government officer, in fact?—Yes.

1447. Mr. *Birley.*] Is any inspection more competent than that of a well-ordered and properly managed concern where people know every joint and rivet in a boiler?—We find that inspectors who have had experience for 10 or 12 years are always much better qualified to find defects and in many cases, where we have been told that a boiler did not require inspection, because the men were so exceedingly competent, we have found the boiler in a dangerous condition. In one case where they kept a boiler-maker, whose sole duty was to examine and report upon the condition of the boilers, we found that a great number of them were totally unfit to work, and one of them had actually exploded and killed a great many people.

1448. Is it your opinion that the engineers and inspectors whom your company are employing are more competent, or is it merely that there is an advantage in having another eye upon a boiler?—They are decidedly more competent, as they have had much more experience; they are men better qualified to detect defects than any ordinary attendant.

1449. Are you of opinion that boilers should be inspected at the boiler-makers' works before they are set up?—I think it is desirable; we are frequently asked to do it, and we frequently send inspectors to examine boilers at the boiler-maker's before they leave his premises.

1450. So that any error in the construction of the boiler is noted?—Yes.

1451. Do you often find defects under those circumstances?—We often find them leaky, and in some cases defective in construction, not strengthened enough.

1452. What is done in that case?—We send a report to the owner stating where the defect is, and telling him how it is to be remedied.

1453. And they do remedy the defects, I suppose?—Yes.

1454. Mr. *Laird.*] Do you think that the inspector should be a Government inspector?—The officer I propose ought to be a Government officer.

1455. He would be the party to inspect every boiler before it left the works, I suppose?—No, not at all. His duty would be simply to investigate the cause of an explosion when it took place.

1456. But you think that the boiler should be inspected before it leaves the works?—Yes; but that is the duty of the steam user. He should be held responsible for the condition of the boiler.

1457. The purchaser of the boiler should

Mr. *R. B. Longridge.*

7 July 1870.

employ an inspector to examine it, you think?—Yes; I do think so.

1458. Colonel *Gray.*] I gather from your evidence that you do not consider it necessary that there should be compulsory inspection universally?—No, I do not consider it necessary at all.

1459. You think that if the plan which you recommend were adopted, and it was left to the option of the steam user, he would have his boilers inspected?—If it were made so far compulsory that the owner knew he would be punished in case of an explosion occurring through any culpable negligence, he would take care to have the boilers inspected.

1460. Do you not think that there are a great many steam users who would go on and take their chance of an explosion, just as they do now?—I think not. If one or two of them were sent to prison for a few months, that would deter the others.

1461. Do you inspect many boilers in mining and agricultural districts?—We inspect a good many in mining districts, but not many in agricultural districts.

1462. Are the boilers similar in those districts to what they are in our manufacturing districts; have you more explosions in mining districts than in agricultural districts?—In iron works and collieries we have decidedly more explosions than in any other works.

1463. Your object is not to prevent explosions, but to make the best profit you can for the company, is it not?—No, our object is to prevent explosions, because if they occurred we should lose our reputation, and that would prevent our being able to make a dividend.

1464. But fire insurance companies are sometimes very glad to have a good fire, are they not, because more people come to them to be insured?—Yes; but they do not attempt to prevent fires, because they have no system of inspection; while our main object is to prevent explosions.

1465. Mr. *Platt.*] The system which you recommend seems entirely to take the thing away from the local parties by appointing a Government engineer to inspect, is not that so?—No; my object is to make every user of steam power responsible. I would leave it entirely to his own discretion to employ whom he thought fit, but I should have it clearly understood that he would have to bear the consequences in case of an explosion. I would merely call in the Government officer after an explosion had occurred, or if he obtained any private information that some one was using a dangerous boiler (a neighbour might give information to the Government inspector), then he should investigate the matter before explosion.

1466. Then how do you get over the malconstruction of the boiler; you were asked that question, and you said you thought it would be a very good thing if all boilers were examined before they were brought into use, did you not?—Yes.

1467. But the answer which you give now is rather the reverse of that, is it not?—No; the owner of the boiler must be responsible for it, and for his own interest he ought to have the boiler inspected before he receives it. We are often desired to examine second-hand boilers, and we do so, and in the majority of cases they are rejected on receiving our reports.

1468. You think that the law you would propose would be sufficient to put the manufacturer on his guard, and that he would be more careful in ordering a boiler than he is now if he knew the penalties that would follow an explosion?—Yes.

1469. That you think would be sufficient?—Quite.

1470. Have you ever insured a boiler without an examination?—Never.

1471. You were asked a question just now by one of the honourable Members, whether you did not look more to profit than to safety; would you not make more profit the less you pursued your examinations?—I think not. I do not think the boiler owners would insure at all unless it were for the inspection that we give them.

1472. Do you not find a difficulty in their giving you facilities for examination?—We do, and that is the only difficulty we have to contend with. When they will not give it we cancel the policies.

1473. Then I will put the same question to you as I put to Mr. McNaught; after you have inspected a boiler for a number of years, you go to inspect it again, and you find reason to distrust the soundness of that boiler; you make a report, and you recommend certain things to be done which might result in very great expense to the insurer, might it not?—Yes.

1474. He might say, "I refuse to do this, I consider the expense too great;" he calls another engineer, and the other engineer says that it is not requisite to be done; then what remedy has he against you if you refuse to continue the insurance?—He has no remedy; several cases have occurred where we have refused to continue the insurance; the owner has stated that he has had a boilermaker to examine the boiler, and that he said it was quite safe, and unless we were willing to take it as it was, he would not continue the insurance; under those circumstances, we have refused to continue the insurance, and within a short time the boiler has exploded, and killed a good many people; we have had more than one case of that kind.

1475. You have stated, have you not, that it was a very difficult matter to detect any flaw in the material?—It is.

1476. Do you not think that if all the iron or steel used in the construction of a boiler was to be marked with the name of the maker, it would be an advantage?—Yes, it would be an advantage; but even the best plates deteriorate; the best Low Moor plates exposed to fire for a length of time become as brittle as possible.

1477. But would there not be more responsibility on the maker if all the iron or steel were marked with his name?—Yes; no doubt it would be decidedly better to have all the plates branded.

1478. Have you ever been called upon to pay for loss of life?—No, we have insured very few lives indeed. I do not suppose that above a dozen insurances have been effected in that way. The boiler owners do not seem to care about it.

1479. Now, with regard to this Government engineer. You say that a written notice must be sent to the manufacturer, when he was coming to inspect a boiler?—Yes.

1480. What do you mean by that?—I mean that if the Government inspector obtained information that any one was working a dangerous boiler, he should have the power to stop the boiler for a thorough inspection.

1481. That

1481. That is to say, he might stop someone's works on information which might not be true?—Yes; but before stopping the works the Government inspector should write to the owner to ascertain whether the boiler had been examined, and if so he could obtain all the particulars before he decided.

1482. Would not that place immense power in the hands of this man?—Undoubtedly.

1483. Do you not think that the same thing could be carried out by local management?—I think not, but it depends on how the inspectors are to be appointed.

1484. It has been suggested to the Committee by one of the previous witnesses that the municipal council should be employed to grant licenses to every person using a boiler, and that no person should be allowed to use a boiler without a certificate from their engineer; what do you think of that proposal?—I think that would be altogether useless, because I think municipal councils would appoint men to inspect boilers who were totally incompetent.

1485. You would have no confidence in men appointed by municipal councils for boiler inspection?—No, none whatever.

1486. I suppose you would, on the other hand, have no confidence in any local body appointing their own inspectors?—That is a different thing, for I look upon steam users' associations as being very different from municipal authorities.

1487. But the steam users are only composed of parties immediately interested, whereas the municipal bodies would contain members of the public as well as steam users, would they not?—But many of the appointments would be made more from interest, I think, than from the particular qualifications of the inspectors.

1488. That is to say, you would have more confidence in a Government engineer than in any local bodies?—Certainly.

1489. Is not that rather a reflection on your own company?—I think not.

1490. Would you be in favour of a Government officer in preference to an inspector chosen by the steam users generally, apart from the municipal authorities?—There is the distinction; the municipal authorities are totally different from the steam users; the steam users would select the best men they could get, but I do not believe that that would be done by the municipal authorities.

1491. But you think that the steam users would be likely to appoint competent men?—I do.

1492. Mr. *Lancaster.*] Are you in favour of compulsory inspection by the Government?—No, decidedly not.

1493. At all events, you would make the Government engineer supreme in all inquiries; that is to say, you would invest him with power to stop the works, or to order the inspection of any boiler?—Yes; I should give him that power.

1494. And you do not call that compulsory inspection?—No, I do not propose that the Government engineer should himself make those inspections. He would employ any person whom he thought fit to make those examinations, because the gentlemen who would be qualified for this appointment would not be the class of men suitable to make those examinations; you must have a working man who would do all the dirty work necessary in inspecting the boiler.

1495. But your Government authority would have power to appoint those inspectors?—Yes.

1496. In fact, he is to be an officer in the same position as you are in with your company; you appoint the sub-inspectors, do you not?—Yes; I appoint the sub-inspectors.

1497. And you would propose to invest the Government engineer with the same authority as you have, namely, to appoint persons to examine on his behalf?—Yes; that is only to select the inspecting persons in each case; not to have any inspectors under him, but that in any particular locality he might select any man he pleased to make an inspection for him.

1498. You have spoken of malconstruction, and you have suggested the examination of a boiler before it leaves the maker's yard. Now, who is to be the person that is to grant the certificate in that case?—I should leave it to the person who is going to buy the boiler, to select any man he thinks fit, and whoever he employs should give that certificate.

1499. Whether he was competent or not?—It is to the interest of the steam user to select competent men for that purpose.

1500. But whoever was appointed you would hold his certificate to be sufficient?—Yes; at all events, the owner must be responsible for it.

1501. Still, up to that point, you would hold it to be a properly constructed boiler?—It might not be properly constructed, of course; if it were a competent man that the owner sent, of course it would be all right, but he might unluckily appoint some one who was not well qualified.

1502. But if a certificate is granted that the boiler is properly constructed, that certificate would be handed in, would it not, in any inquiry that took place subsequently?—Of course, it would.

1503. And it would be held to be evidence that it was a properly constructed boiler, would it not?—No, it might not satisfy the jury; the owner would have to give evidence that he was justified in employing that man.

1504. Is not that a roundabout way of doing it; would it not be better to make sure in some way of having a competent man to whom you could apply to grant a certificate?—No; I think the owner should be left to his own discretion; there are plenty of competent men, and I think it is only right that a man should choose for himself.

1505. You do not think it is right that some central authority should have the power to inspect and grant certificates before a boiler is set to work?—No.

1506. I believe that you are in favour of a thorough periodical inspection of all boilers?—Yes.

1507. But still you would not make it compulsory?—No; at least, I would only have indirect compulsion.

1508. If the periodical examination were compulsory, do you think that owners would insure under those circumstances?—Yes; I think many would.

1509. But do you not think that that compulsory periodical inspection would lessen the tendency on the part of the owners to insure?—It would, to some extent, I think.

1510. It is your belief, is it not, that if a thorough inspection took place, a very small percentage of explosions would occur?—Yes.

1511. The public would soon learn that, would they not?—Yes.

Mr. *R. B. Longridge.*

7 July 1870.

1512. And do you think that after they had learnt that fact, they would continue to insure their boilers?—Yes, decidedly; because we give that very inspection which they desire.

1513. But would they not get that without insurance?—Yes, they could, certainly; but I think they would give preference to inspection with insurance, because, in the one case, there is a greater responsibility than in the other, and the owners consider that our inspection is more to be depended upon.

1514. The primary object of all these associations is inspection, is it?—Yes.

1515. You have stated that you do not think local parties ought to control that inspection?—I think they ought not, because I do not think they would appoint qualified men for those duties.

1516. Do you not think that engineers appointed by large communities like Liverpool (I will not say Manchester, because you represent Manchester), would be competent to inspect and report upon boiler explosions?—They might find competent men, undoubtedly, but I do not think that municipal authorities would select proper men.

1517. Let us take counties that are under the management of the magistrates and quarter sessions; do you not think the courts of quarter sessions and magistrates would appoint competent persons in order to release themselves from the responsibility of appointing incompetent men?—I do not think that they would have opportunities of judging. We find the greatest difficulty in obtaining men qualified as inspectors.

1518. Then, how can the Government obtain more competent men than corporations or magistrates, and courts of quarter sessions, do you think?—I merely speak of the Government selecting one or two men. The duty of those men is not to make those examinations that the inspectors are required to make; their duties are quite apart from the examination of boilers.

1519. You think that could not be done by a county or a borough?—I think not.

1520. Mr. *Armitstead.*] Do you not think if the inspection of boilers at regular intervals was not compulsory that the public would run a much greater risk than if such inspection was compulsory?—I think not. If there was a certainty of punishment in case of culpable negligence, the boiler owners, for their own protection, would take care to have the boilers inspected.

1521. You think that there would be no inclination to save expense and avoid inspection on the part of the owners?—Not if they knew that there was a certainty of punishment in case of negligence.

1522. Mr. *Tipping.*] You mean to say that you would replace universal compulsory inspection, by what I may call wholesome terror, do you not?—Yes, that would be indirect compulsion.

1523. You have no idea whatever of anything like a grand system of inspection; but merely a wholesale prosecuting power, and a power of ordering an exceptional inspection where it is desirable or necessary?—Precisely.

1524. So that inspection under the Government authority would be rather the exception than the rule?—Yes, it would.

1525. But it would be sufficient to keep people up to their duty and responsibility?—Yes, that is all.

1526. I understood you to say with regard to the explosions, that there were only three out of 20 in the number that you could have prevented; that is only 15 per cent. How could inspection so very largely reduce the number of accidents; three out of 20 is about 15 per cent., and that is but a small proportion of the number of accidents which inspection would prevent, is it not?—I will take the number of explosions which occurred last year as the average; nine of those were from the negligence of the attendants which you cannot prevent; that is a seventh of the 63; there are others from deterioration of the iron, which you cannot detect. Those are the two principal causes that cannot be prevented.

1527. I suppose your reason for allowing the purchaser to select his own inspector rather than having a universal system of inspection, is to keep up the responsibility as much as possible?—Decidedly.

1528. What is the difference in the cost of inspection without insurance, and inspection with insurance?—The cost of inspection without insurance is 17 *s.* 6 *d.* per boiler; for insuring 100 *l.* the cost is 20 *s.*, including the inspection; there is a difference there of only 2 *s.* 6 *d.*

1529. Sir *T. Bazley.*] Supposing you and Mr. Fletcher received appointments to-day from the Board of Trade to become superior boiler inspectors, would you on the morrow deem yourselves to be more talented than you now are, or more competent to perform your duties?—No, certainly not.

1530. You owe your appointment to the local authorities only, do you not?—Yes.

1531. From my own knowledge, I believe I may take the liberty of saying that I do not think that two more competent engineers for that duty could be found in the country; but when you were first connected with the Steam Users' Association, you said that you were limited to a circle of 35 miles round Manchester for the duty of inspection?—Yes.

1532. How many boilers may there be within that district?—That is a very difficult question to answer; I should say that there might be 20,000 or 30,000, but it is merely a rough guess.

1533. What proportion of your own boilers may there be in the county of Lancashire?—That I cannot say off-hand.

1534. You have rejected upwards of 3,000 boilers, you say?—Yes.

1535. That is to say, you have declined to insure them?—Yes.

1536. Have any accidents occurred to those boilers, or any portion of them?—Yes.

1537. I mean any serious accidents?—Yes.

1538. Then a fair inference may, I think, be established by the fact that compulsory examination is necessary for the public safety, is it not?—I do not consider it necessary to have a compulsory inspection, nor do I think it advisable.

1539. Then why are not the whole of the boilers now under inspection?—Because many people consider it unnecessary; they think that they have competent men of their own; others will not do it on account of the expense.

1540. But the public safety is more important than the question of expense, is it not?—Yes; I think the steam users should be held responsible for the safety of the workpeople.

1541. You thought it necessary to establish an insurance association rather than a steam users' association, for the purpose of increasing the desire for examination?—Yes, I found that the majority

majority that joined that association when I was connected with it, joined more particularly to have their engines inspected and indicated, in order to economise fuel; because we not only inspected the boilers, but we inspected and indicated the engines, pointing out the defects and how they were to be remedied, and they found that they could reduce the consumption of fuel materially. The chief inducement to join the association was with regard to the engine, and not with reference to the boiler. After they had obtained that information they gave up their connection with the association. Many of them joined for a single year, or possibly for two years, and then left.

1542. By establishing the principle of insurance, are you not rather indicating that profit more than safety is the object of the steam users generally?—No; we hold out inducements to them to join. Many of the lower class of steam users are induced to join with the view of obtaining compensation in case of accident.

1543. Have you reason to believe that there are many boilers in a dangerous state?—Yes, I believe there are.

1544. Then what less than compulsion do you think would induce those owners to appeal to a competent examination?—I think that if they knew that there was a probability of being imprisoned for manslaughter, if an accident occurred, that would be sufficient. At present they know that any accident may occur with impunity, and no one is ever punished, the matter is passed over.

1545. But is there not prevalent a degree of ignorance that induces people to withhold an inspection?—No; I think among many of them it is simply because they think it is not worth while to incur an expense of 20 *s.*

1546. But, at all events, you are in favour of a general system of inspection, are you not?—Yes; I am in favour of a general system of inspection, certainly.

1547. Dr. *L. Playfair.*] Is not the number of accidents that occur chiefly connected with the ignorance of the men, and their want of education?—No; I think it is chiefly carelessness and sometimes intemperance.

1548. Do you think if a man thoroughly understood the nature and the danger of steam-power, he would not take precautions to prevent the loss of his own life?—Many of those explosions that I have alluded to were cases where the men thoroughly understood their duty, but still they occurred through some negligence or oversight.

1549. Mr. *Hermon.*] I understand you to say that in case of an accident from deterioration of the iron, the deterioration of the iron cannot be detected?—Yes; that is what I said.

1550. I asked you, "Could it not have been found out by boring?" and you said, "No"?—Just so.

1551. Could it not have been found out by the water test?—No, a new boiler may bear the water test perfectly well, but after some time the plates will be so very brittle that when they come to work it, and the boiler is exposed to an unequal strain, you may have a rupture.

1552. There is no possible manner, in fact, of detecting deterioration in the iron plates of boilers, is that your opinion?—None but cutting out a piece of the plate, and testing it after you have taken it out.

1553. Mr. *Platt.*] We have had evidence given to us that the force pump is one of the best means of discovering bad workmanship and bad material?—It is one of the best tests for good and bad workmanship, but not always to find out the quality of the material; for instance, you may have a plate that has great tensile strength, steel for example, and yet it may be so brittle as to be quite unfit for steam boilers. The strain in working is very different from the strain in testing a boiler, because under hydraulic pressure it is subject to a uniform strain, but when it is at work, owing to unequal expansion, a rupture may take place on account of the excessive strain on one particular part.

1554. Mr. *Lancaster.*] We have it in evidence that if hydraulic pressure was used to twice the working pressure, that would always detect any weakness from whatever cause, are you of that opinion?—No, I am not.

1555. You do not think that the hydraulic test would detect a defect in the quality of the iron?—No, not in all cases; it might in some cases.

1556. Whatever margin you fixed above the working pressure with that test, you do not think that would be a sufficient test?—No, in many cases it would do a great injury to the boiler, subjecting it to double the working pressure.

1557. You believe that that would leave a permanent strain upon the boiler?—In many cases it would.

1558. There is prejudice in the minds of engineers against carrying out these tests too far, is there not?—Yes.

1559. It is a strong prejudice in the minds of a great many engineers that you permanently injure the boiler, is it not?—Yes, it is.

1560. Mr. *Platt.*] Have you ever known any explosion to occur from testing with water power?—If you mean any collapse or injury to a boiler by testing, that could be traced to the result of the testing, I cannot say that I can mention one.

1561. I think there was one at Messrs. Sharp's, was there not?—Yes, that was one instance where a boiler exploded under the pressure of testing, but that was steam-pressure, and not hydraulic pressure.

1562. Mr. *Lancaster.*] Was that under an increase of steam-pressure?—No; it had been tested by steam-pressure two or three times, and it was never tight, and on the last occasion, the boiler-maker was caulking a seam, while it was subjected to a pressure of about 120 lbs., and the plate gave way.

1563. Mr. *Platt.*] Was he hammering the plate?—He was caulking the seam at the time, and there was a fracture in the plate. The plate which ruptured and caused the explosion was perfectly good at one end, but at the other end it would only bear about one-fourth or one-fifth the pressure that it would bear at the other.

1564. Mr. *Lancaster.*] You do not think that hydraulic pressure would have detected that?—It would have detected a leakage, but not the quality of the iron.

1565. That is to say, not the weakness of the iron?—No.

1566. Dr. *Lyon Playfair.*] In the examination which you make of the boilers for your association, before you insure a boiler, is it always an internal flue examination?—No, not always. The examination is an external examination. The

Mr. *R. B. Longridge.*

7 July 1870.

inspector takes the dimensions of the boiler and all the fittings and the mode of setting it, and all the particulars that it is possible to take while a boiler is working.

1567. But it is not necessarily an internal examination?—No, not necessarily so. If it is a new boiler, made by some well-known boiler-maker, we do not require a thorough examination at once. If it is an old boiler we will not insure it without a thorough examination.

1568. Mr. *Tipping.*] Your idea is, is it not, that very few Government inspectors would be required?—I think one would suffice, or at the most, two.

1569. So that it is quite clear that anything like a general compulsory inspection, under Government, is quite foreign to your idea, is it not?—Entirely.

1570. But you think that the fear of punishment would replace anything like compulsory inspection?—Quite so.

1571. Captain *Beaumont.*] I should like to ask you this: from your extensive experience with respect to boilers, how far have you observed what is known as grooving in boilers?—We find an immense number of boilers grooved.

1572. Would you be kind enough to describe in a few words the appearance of grooving with respect to the position you would generally look for it in?—One of the commonest cases is in boilers with internal flues. You will find the grooving in the root of the angle iron at the end where the flue is attached. When the boiler is working, the expansion of the flue causes it to rise up in the middle, and when it is cold it goes back, so that it is working up and down. We find in a 30 feet boiler that the tube will rise as much as from five-eighths of an inch to three-fourths of an inch in the middle, and that repeated bending causes a grooving sometimes in the root of the angle iron, and sometimes in the end plate close to the angle iron.

1573. Have you seen that frequently in the middle of the plate?—We often find corrosion in the middle of the plate, which arises from acids in the water. We often find the grooving also at many of the circular seams in the shell, which is partly owing to vibration of the plate, and partly from some acid; if there be acid present as well, the grooving is very rapid.

1574. Dr. *L. Playfair.*] What kind of acids do you mean?—Vegetable acids principally.

1575. Captain *Beaumont.*] You have never seen grooving in the middle of a plate, as has been described by previous witnesses?—No.

1576. You think it is the result of bending; your experience shows that it is only found where the bending of the iron takes place?—Precisely.

1577. You do not believe in chemical or electrical action?—There may be electrical action; but I do not think that has much to do with it.

1578. Assuming it to be clearly proved that grooving had been seen in the middle of a plate, how would you account for it then?—I have never found such a thing, and I think we should have had some opportunity of seeing it if it had taken place. But with regard to the acids, we sometimes find sulphuric acid when the feed-water has been obtained from old workings, such as coal mines. A good deal of pit water contains acid which is very destructive to boilers.

1579. But if it is in the boiler, and pervades the whole substance of the water, why should it attack the plates locally?—It will attack in patches; there may be greater impurity in one part of the plate than in another. The next part of the plate may be free from any action of the acid; that is frequently seen.

1580. Dr. *L. Playfair.*] All the witnesses have spoken of that. Now I can understand a case of sulphuric acid; but how do you detect the acid in the water?—We get it analysed by a chemist.

1581. Do you never test with litmus paper?—Yes, and sometimes we find the acid very strong. You may find the water apparently very pure; but if you take water from a boiler after the boiler has been working about a week, you find the presence of acid by litmus paper.

1582. Of course, acid could not exist in the presence of ordinary lime in the water?—No; where we find a thick incrustation of lime, we do not find the acid, only occasional spots; but generally, where acids exist, as for instance in the Rochdale Canal water, there is little or no deposit. The iron is eaten away, and you find the red oxide at the bottom of the boiler.

1583. You believe that it is really acid?—I am quite certain of it. It has been analysed by Dr. Angus Smith, Dr. Roscoe, and others.

1584. Did they find it to be sulphuric acid?—No, it was chiefly humic acid.

1585. Mr. *Lancaster.*] You consider that the grooving is mainly due to mechanical action, do you not?—The worst grooving is due to two causes, namely, mechanical action and acid; when there is no acid it is not so rapid.

1586. But mainly due to mechanical?—Yes, the great cause is this mechanical action.

1587. *Chairman.*] Have you any further observations which you wish to address to the Committee?—No.

Mr. Lavington E. Fletcher, recalled; and further Examined.

Mr. *L. E. Fletcher*

1588. *Chairman.*] With regard to the number of explosions that you have had in a certain number of years in the Steam Users' Association, have you any statement which you wish to make to the Committee?—We have had but one explosion of a guaranteed boiler since the system of guarantee was founded five and a half years ago, and that explosion was quite a peculiar one.

1589. You have only had one explosion?—That is the only guaranteed boiler, *i.e.*, the only one which the association has pledged itself to, which has ever exploded. The left-hand furnace tube was overheated, but the boiler was not stirred, and nobody was hurt; the boiler was repaired at our expense, because we had guaranteed it. It was fed with very large quantities of caustic soda and arsenic; blowing out was given up; the boiler was completely choked with sediment; we set ourselves very much against those compositions, still we do not tie people's hands up. The use of the soda and arsenic was adopted without our approval. We have met with a number of cases in which furnace crowns have been overheated and bulged simply from the peculiar character of the feed water. In May 1869 I presented a long report on this subject, of which this is a copy, giving a sketch of the ruptured furnace crown in question (*producing a report, and*

and describing sketches to the Committee.) Some of the analyses of water were made by Dr. Angus Smith. That is the only boiler guaranteed by our association that has ever exploded, and which brings the proportion up to one in 10,000.

1590. Mr. *Platt.*] Have you had any boilers which are not guaranteed, but still, under your examination, that have exploded?—Yes, one. When the owner entered his boilers, I said to him, "We cannot guarantee these boilers; the sides of the oval flues are weak." He replied, "I only want to be safe." I reported to him at once on the danger. He called on me with the boiler maker, and arranged to have them strengthened; he delayed to strengthen them, and the boiler burst, as I told him it would; we had not pledged ourselves that the boiler was safe, but that it was weak. We said it would burst, and it did. You must not debit us with the explosions that we have predicted, because we do not reject any one. The worse they are, the greater the reason for coming to us; but we plainly tell them if their boilers are going to explode, and if they are all right we endorse the report with a 300 *l.* guarantee.

1591. You do not refuse them even though you know that they are in a dangerous state—Decidedly not; we take the lame and the halt, and keep on helping them. We are not founded to raise a fund, and if any person knows of a bad boiler he will, perhaps, say, "go to the association." We take them at once, point out the defects, and take all the trouble we can to remedy them. But I found it necessary to draw a line, because we were debited with explosions against which we had warned our members; therefore I pressed on our committee to make a line of demarcation by a guarantee, and since we have done that we have shut off explosions, because we are now able to induce our members to afford us better opportunities of making examinations than we had before.

1592. All your money is devoted to the inspection of boilers?—Exclusively to inspections or scientific investigations; it is merely for the prevention of boiler explosions.

1593. You do not divide any money?—No.

1594. Mr. *Hermon.*] You have said that you have only had one accident in five and a half years among the guaranteed boilers?—Only one guaranteed boiler has exploded.

1595. And how many cases among the others that you have not guaranteed?—Only one; we have only had two altogether in the five and a half years.

1596. Dr. *L. Playfair.*] Have you many unguaranteed boilers on your register?—Very few, but some may be unguaranteed in this way. The members pay their subscriptions in January for the whole year, but directly the anniversary of examination dies out the guarantee dies out. With us, examination is essential to guarantee. We write to the party, "Your period of guarantee will expire at such a date, and the inspector will come at any time you like." If the member does not avail himself of that the guarantee drops at the end of the term.

1597. Mr. *Lancaster.*] I suppose you heard Mr. Longridge's evidence on the grooving of boilers being due to mechanical action mainly; do you concur in that opinion?—Yes, I think so. I have a specimen here which will perhaps illustrate the subject (*producing a piece of iron*). This plate is an illustration of the constant action of grooving that we find going on in our own boilers.

Mr. *L. E. Fletcher.*

7 July 1870.

1598. Is there anything else which you wish to state to the Committee?—I should like to state that we find the position of the grooving can be predicted; there is nothing mysterious about it; it never occurs where you cannot anticipate it; it always can be grappled with.

1599. The point of expansion and contraction will answer another question, namely, whether this grooving occurs above or below the water. The flue being always below the water (or, at all events, it ought to be), of course it exists there, but the expansion might take place in other parts above the water, and then the same results could never occur to the same extent?—I have never known it to occur in the steam-way. In building locomotive boilers they now make the barrels in one single length of plate circumferentially, having the joints in the steam, and made with a double butt strip, one inside and one outside. When this is done, no grooving takes place; added to which, the joint is more accessible to examination than when at the sides or bottom of the barrel as it used to be. Some time ago an explosion took place at Rugby to the limited Irish mail, going at express speed, and several persons were injured. I was one of the witnesses who gave evidence on the trial, and, in reporting upon that case, I recommended that, instead of having these overlap joints that cause the grooving, butt joints should be adopted, with one strip outside and another inside, so as to keep the true circle, and maintain the plate *in equilibrio*, whatever changes there might be in the strain. I believe that the Great Western Railway Company adopt that plan, and I am told with very great success. Perhaps the Committee will kindly allow me to read a short letter from Mr. Armstrong on the subject, because the source of weakness in locomotive boilers is the longitudinal groove. Mr. Armstrong writes as follows: "I beg to acknowledge the receipt of your favour of the 28th instant, and, in reply, have to inform you that we tried the description of boiler to which you allude eight or 10 years ago, and for the last six years have constructed all our boilers in this way. They work up to 140 lbs. pressure, and, in my opinion, it is the best boiler that is made. The late Mr. Richard Roberts, of the firm of Sharp, Roberts, & Co., constructed boilers on this principle 30 years ago, and we have taken some of them out (4 feet boilers 5-16th plates) which have been working 24 years, and the joints are as good as when they were first made." That, of course, is long before my suggestion, and it only corroborates the value of that plan. The boilers alluded to in this letter are those made with one length of plate circumferentially, and with one inside and one outside butt strip placed in the steam space.

1600. Are there any further observations that you wish to make to the Committee?—There is one point with regard to locomotive boilers with reference to which it would be very valuable if evidence could be obtained. The difficulty in detecting these grooves arises from the number of tubes, which prevents a complete internal examination of the boiler. Now it is thought that those tubes cannot be easily taken out, but I have consulted several parties of great experience, and they say that the tubes could be removed and replaced at a cost of about 30 *l.*, so that if this were done every three years, which might be often enough, it would not cost more than about 10 *l.* a year.

Thursday, 14*th July* 1870.

MEMBERS PRESENT:

Mr. Armitstead.	Mr. Hermon.
Sir Thomas Bazley.	Mr. Hick.
Captain Beaumont.	Mr. Laird.
Mr. Cawley.	Mr. Lancaster.
Mr. Joshua Fielden.	Mr. Pim.
Colonel Gray.	Mr. Platt.
Lord John Hay.	Dr. Lyon Playfair.

JOHN HICK, Esq., in the Chair.

Mr. George Barker, called in; and Examined.

Mr. *G. Barker.*

14 July 1870.

1601. *Chairman.*] You are the Chairman, I believe, of the Midland Steam Boiler Inspection and Insurance Company?—Yes.

1602. How long has your association been in operation?—About 8 or 10 years; I may add that I am senior partner in the Chillington Iron Works, Wolverhampton, and I am the owner and user of about from 80 to 100 steam boilers. Our association has been in operation since May 1862.

1603. What was the origin of the association?—There had been a good many boiler explosions in different parts of the country, and the attention of the iron trade was directed to them. There had been one explosion in South Staffordshire, just before the formation of this company, in which 25 or 30 persons had been killed, and that more particularly directed the attention of the iron trade to the subject, in order to see whether some steps could not be taken, at all events, to mitigate the evil, if not to prevent it. At one of the meetings of the iron trade which are held quarterly, this subject was brought under the consideration of the trade, and information was directed to be obtained as to what was being done with reference to this matter. It was found that there were one or two other companies in existence in Manchester who had undertaken the inspection of boilers with the object of endeavouring to prevent explosions; but it appeared to us that either their attempts to introduce this into the South Staffordshire district generally, into the iron trade had been unsuccessful, or, at all events, that they had done very little indeed from Manchester in endeavouring to extend their system into South Staffordshire. It was therefore decided that we should establish a company ourselves, and so this company was founded having a capital of 50,000 *l.*; that is to say, 5,000 shares of 10 *l.* each.

1604. Did you commence originally as an insurance company?—Yes, as an inspection and insurance company. The directors are, all of them, connected with the iron trade, and I suppose the directors certainly are owners and users of something like 1,000 boilers.

1605. How many boilers have you insured?—We have insured and inspected about 3,000 boilers.

1606. Mr. *Cawley.*] And the directors have, you say, about 1,000 of them?—Yes.

1607. Then there are 2,000 outside?—Yes; we have issued about 3,000 of those shares out of the 5,000. We have called 10 *s.* a share, which is all that has been paid up, and the shareholders are nearly all of them interested in the use and ownership of steam boilers; so that our directors, our company, and all of us, are practically and immediately interested in the question.

1608. *Chairman.*] What description of boilers generally are under your insurance?—We have every variety of boilers under our insurance and inspection.

1609. Are they boilers in connection with iron works principally?—Yes; it is principally with the iron trade and coal trade; there are, of course, some other boilers under our inspection, but the great bulk of them are used by the iron and coal trade.

1610. Have you many factory boilers insured in your association?—Not a great many; the main trade of the district is the iron trade, and trades in connection with it.

1611. You do not insure many boilers beyond your own district, I presume?—This company went on very well in connection with South Staffordshire for three years, and then we extended its operation to the North of England, to the Cleveland district. The board of management there are two of the directors of the central board, and they also have extended their operations almost exclusively in connection with the iron and coal trades.

1612. Have you had any explosions of boilers insured with you?—Yes; we have had three explosions of insured boilers.

1613. From what causes did those explosions arise?—One boiler was a plain cylindrical boiler, and had been reported as needing thorough repairs by our inspector, extensive repair was at once done, but the boiler gave way where the new work in joining the old had caused a seam rip; a stranger passing by happened to be killed by that explosion. Two other explosions have caused considerable damage without any loss of life. The first boiler was a tubular boiler which had been reported unfit to work, but the owner was persuaded by his own men that this report

was

was exaggerated, and the consequence was that this boiler burst; the other was a plain cylindrical boiler which was being worked at more than double the proper pressure for a temporary purpose.

1614. The results of a good many explosions have been brought under your notice in boilers not insured, I suppose?—Yes.

1615. Were they mainly in connection with iron and coal works?—We keep a register of all the explosions throughout the country, whether they are locomotive or other boilers.

1616. But your attention would be more drawn to those in your own immediate neighbourhood, would it not?—Yes, to some extent, but at the same time we obtain information of the explosion of every boiler, in order to arrive at some formula by which they can be prevented if possible.

1617. Mr. *Cawley.*] Have you kept records of the proportion of explosions per 1,000 or 100 boilers, in your own trade, as compared with other trades?—Yes, Mr. Marten, our engineer, has got the whole of the facts, and he will give them to the Committee.

1618. *Chairman.*] What is your opinion with regard to the advantage of inspection in preventing explosions; do you think it would be the means of preventing explosions generally, or a great portion of them?—It depends so much on what is meant by "inspection." It strikes me that there are several large establishments in South Staffordshire, whose works are not inspected or insured with anyone; they say, "We have now within ourselves, by means of our own staff, a complete system of inspection." There are a certain number of men appointed for that purpose, because some of the large works have from 80 to 100 boilers. In the iron districts it is very different from Manchester; it is really a separate department of the works. You have your own boilermaker, you have your own engineer, and you have your own inspector; and then some people say, "We have the most complete system of inspection which anyone can give to us." I always reply on the other side, "I have got all this in my own works, but I would rather also have the independent inspection of some one else."

1619. I mean by inspection, such inspection as your association would give; do you believe that would prevent a great proportion of the explosions?—I believe it would have a great tendency to do that. We have got a staff of organised inspectors, and we have now been at work for a number of years. We have such an experienced set of men (I speak almost exclusively with regard to the iron and coal trade), that such inspection as we could give would be extremely advantageous to those trades particularly, because our men have devoted themselves mainly to the inspection of those particular boilers.

1620. You think that it would prevent a large proportion of those explosions?—Yes; explosions will sometimes take place; some of the best boilers will explode in spite of all the care in the world.

1621. Do you think that the inspection of boilers should be compulsory?—No, not at present; I am not inclined to say that.

1622. Then, how would you propose that the inspection should be carried out?—I think with regard to the iron and coal trade this Midland Company are fully competent to undertake it; we are in a position to undertake the inspection of boilers mainly connected with the iron and coal trade better than any government staff could do it.

1623. But suppose parties owning steam boilers in your neighbourhood are not disposed to have your inspection, what would you propose then?—Difficulties will arise, but I am not one to say that the inspection should be compulsory; people say, "I consider my inspection is now as good as it can be; I keep men for that purpose." I think it would be interfering too much with the liberty of the steam users to make the inspection compulsory.

1624. But a great proportion of the explosions occur, do they not, where parties have not such an efficient superintendence as you speak of?—That would follow as a matter of course, and I think proper pressure should be brought to bear on those people; but I am not going to say that you should compel them to be inspected. I should hardly be inclined to justify that; I think that a very strong recommendation should be made, but not an Act of Parliament; it is interfering too much, I think, with one particular class of trade.

1625. You object to Government interference?—Yes, I do object to Government interference most particularly. No man criminally, to the full extent of the word, causes his boilers to explode; we are in our works daily, and owing to the peculiar construction of the works, the boilers are close to the operations and the workmen; it is different in a factory where the boilers are some distance off, but here the waste heat from the furnace causes a very considerable proportion of the steam we use, so that boiler explosions are often very fatal. No man who is the owner of works, and constantly in the habit of visiting the works, with offices right on to the works, would do it criminally; it is done from negligence, and, perhaps from want of knowledge; and I think it would be too much to say that the Government should interfere.

1626. That applies to gentlemen like yourself and your partners, who use proper precautions, but that would not exist with parties who are not in the same position, and who have not the same means, and who go on recklessly from day to day without having their boilers inspected, would it?—I scarcely think anyone goes on recklessly, the danger is so great. There are, no doubt, extraordinary instances in which you find people do it, just as miners working in a coal pit without proper precautions.

1627. But there is a class of men who will put an additional brick on the end of the safety valve lever, is there not?—Yes, but those instances are diminishing very much. If we had got a more intelligent and better class of engineers to attend to boilers, it would be a great advantage, it is often the carelessness of those men; for instance, if a man puts another brick on the safety valve, it is most likely done on his own responsibility.

1628. It is done from ignorance, in fact?—Yes, from ignorance, in fact.

1629. Mr. *Hermon.*] You say that you have had three explosions since you have begun this society. At what time did those three explosions occur?—It is since the year 1862.

1630. Yes, but I want to know whether they happened recently or not; have you the dates of them?—Mr. Marten will have the dates of them.

Mr. G. *Barker*. 14 July 1870.

1631. Has your society refused to insure any boilers?—Yes, that is one of the great advantages of insurance. I am strongly in favour of insurance.

1632. Have any of those boilers burst after having been refused by your society?—Yes.

1633. That would rather tend to confirm the view of the Committee, that compulsory inspection is necessary, would it not; I do not mean compulsory inspection by the Government, but compulsory inspection of some kind?—Yes, that is the necessary consequence, but you find that the scientific evidence varies so much. One engineer comes and says it is one reason, and another man comes and says it is another reason, and perhaps the explosion does not result from the reason after all, for which our inspector refused to insure it.

1634. You say that there are 80 or 100 boilers at some of the large works in that neighbourhood?—Yes.

1635. Of what dimensions would they be?—They vary very much.

1636. At what pressure would they work?—That varies very much; there is no class of manufactures where there is such a variety.

1637. Provided there was a Government inspector appointed to act somewhat on the same principle as that on which a railway takes place before it is opened, namely that he should inspect each boiler prior to its departure from the makers, would you approve of that?—No, I think not.

1638. Mr. *Laird*.] You do not seem to approve of Government interference at all?—No.

1639. Nor of any compulsory inspection?—I am hardly prepared to say at present, because there are a great number of people who do not need it, and would consider it a great interference with their liberty to be compelled to have their boilers inspected.

1640. At those large works they have large staffs, but there are a great variety of small manufactories where they have no system of that kind, and they are more subject I suppose to explosions?—The explosions take place as well in the large works.

1641. At all events you do not wish to see the Government interfere?—No, not at all events until these societies have still further tried the matter. I think the Government might do a great deal in assisting. I think a very strong recommendation from this Committee to the owners of boilers would have very great weight; for instance, if the Committee were to say that inspection was a very necessary thing, we, as the Midland Company, should take an opportunity of bringing that home to the knowledge of everyone with boilers in the iron and coal trade.

1642. But still although people know that this society does exist, they do not avail themselves of it very much, do they?—No, not all of them, because some of them say they do not want it.

1643. Colonel *Gray*.] Can you inform the Committee anything near the number of boilers in your district?—I should say 10,000 at a rough guess.

1644. Of that number, do you say that 3,000 are insured with your association?—No, 3,000 includes the number in the North of England; we have 3,000 altogether insured with us.

1645. Perhaps there are not more than 2,000 boilers in your own district?—It is nearly half-and-half, but as I said before, we have 10,000 boilers in South Staffordshire and in the district immediately around there, and I suppose they may have as many in the North of England, so that out of 20,000 boilers, we have not got more than 3,000.

1646. Do you not think it is necessary to have some compulsion applied to them, as no recommendation seems to have any effect upon them?—As I said before, the difficulty is that some people say "We are sufficiently inspected now by our own system;" and it seems to me rather interfering with their liberty to compel them to have their boilers inspected.

1647. That is their statement, is it?—Yes, that is their statement, and I know it to be true.

1648. Do you think that some of them are sufficiently inspected?—Yes, I do indeed.

1649. What is your rate of insurance per boiler?—It varies according to the nature of the boiler; we have a variety of rates which are published in our tables.

1650. But then there would be a general rate; one of the Manchester companies have 20 *s.*?—Yes, our rates and their rates are very similar.

1651. You have stated that one of the chief objects of your society was to prevent boiler explosions; is not the object of the society in carrying on its business rather with a view to profit?—No, it is not; we have always been careful to let that be thoroughly known; the association was got up by the iron masters entirely, from an earnest desire on their part to endeavour by the best means in their power to prevent the recurrence of these accidents, and I think the best plan is to do it by means of a company, and that that company should pay its expenses. We have only called up 10 *s.* a share, and we have paid 10 per cent. dividend on that. Our whole dividend is only 150 *l.* a year. We have capitalised the money we have received, and we have about 1,600 *l.* now invested in consols; we only divide 150 *l.* a year amongst the shareholders, but by means of that we have a guaranteed capital of 30,000 *l.*, 9 *l.* 10 *s.* not being called up. We think that is the readiest, the best means, and the cheapest means of raising a guaranteed capital and a large sum.

1652. Are boiler explosions diminishing, in your opinion?—I can hardly answer that question; all I can say is, that the number of boilers is increasing very fast.

1653. But taking the country generally, do you think that the number of explosions is diminishing?—I do not think that our statistics have been very carefully kept until within the last few years.

1654. Do you insure any locomotive boilers?—Yes; we have some locomotive boilers insured with us.

1655. Mr. *Cawley*.] Are those locomotive boilers belonging to private firms?—Yes, belonging to private firms.

1656. Colonel *Gray*.] You have no locomotive boilers insured with you that are used on railways, I suppose?—No; only boilers used by private firms.

1657. But seeing that a large number of boilers are uninspected, would it not be desirable to have some kind of compulsion, even if you are opposed to Government inspection?—I would try the effect of a strong recommendation at first. I am not in favour of compulsion to be particularly directed

directed against the users of steam boilers; I think there are many other things that also might be made compulsory if the inspection of boilers were made compulsory. Why should that particular trade be picked out?

1658. Mr. *Cawley.*] But is it the fact that that particular trade is being particularly picked out; is it not rather the fact that there are a great many trades which are under inspection where the arguments you use equally apply; that is to say, that inspection is perfectly unnecessary with regard to those who wish to do right, but necessary because there are a number of persons who do not wish to do right; take weights and measures, the inspection of meat, the inspection of factories, and the inspection of coal mines, are not those things open to precisely the same argument; the inspection is for the man who is careless and indifferent about doing right, is it not?—That of course is one way of looking at it, but at the same time there is already a very considerable amount of inspection going on; we are not without inspection. You have got inspectors of coal mines, but that does not prevent explosions, and I do not think the best inspection in the world will prevent the explosion of boilers.

1659. But I understood you to say that you considered an efficient inspection would at all events greatly diminish the number of explosions?—It is the best means that we know of at present of preventing them.

1660. Is it not also true in your own experience, that hitherto the inspection is limited to those parties who, like yourselves, rather wish to have an efficient inspection of their own boilers?—Yes, an independent inspection; I see so much difficulty in the word "inspection," because in many of those large works they are inspected; in fact I do not believe that there is a boiler in use that is not inspected; a man has got perhaps two boilers at work, and the engineer in charge will tell you that they are inspected every Monday.

1661. But that is not what we mean by "inspection." The Manchester Steam-boiler Association is clearly a mere combination of gentlemen who wish to have their boilers efficiently inspected, and who think it is better done by combining together, and employing one staff to do the whole work than by separate inspection?—Yes.

1662. You seem to a large extent to have adopted the same principle, but you add a kind of guarantee by way of insurance?—Yes.

1663. You do not do that for the sake of profit you say?—No.

1664. Then the parties who have come in on your own showing, are really those who wish to have their boilers perfect and in good order?—Yes.

1665. But there is a large margin of people who do not come within that category, is there not?—Yes, and for two reasons; some of them say, "We have got sufficient inspection now, and we do not want you;" and others, again, perhaps do not come in, because they do not like to pay the money.

1666. Is not that the major proportion?—I daresay it is; they have a small number of boilers, and they inspect them by their own engineers, and they repair them when they can.

1667. But taking it as a fact that such a system of inspection as yours would diminish the number of explosions, and taking it also as a fact that the larger number of those who do not insure are really the owners of the most dangerous boilers, what is the reasonable prospect of getting inspection made general by any recommendation?—I should like to see the effect of it tried; we are getting fresh boilers every month. The result of an accident is generally to drive more boilers to us; I should not like boilers to explode in order to obtain more business, but that is the result of it.

1668. But when you refuse a boiler, still, if a man chooses to think he knows as well as you do, and he goes on until an accident happens, what then?—Then, at the coroner's inquest, they say the boiler was a very good boiler; there is scientific evidence to that effect, and the result is that they come to a verdict of "accidental death;" we have had an instance of that within the last two or three months.

1669. I suppose that is not the only boiler which you have refused?—No.

1670. You refuse a good many boilers, I presume?—Mr. Marten will tell you more about that than I can; we have refused them because we would not insure them.

1671. Mr. *Platt.*] Have you ever insured a boiler without inspection?—Never.

1672. Do you not find in practice that the owner of an insured boiler becomes more careless?—I think not; I never heard that charge made.

1673. Do you not think that when they have got their boiler insured, they think they have done all that is necessary?—I do not think that that feeling exists in our district; I have not heard of it.

1674. You seem to be very much opposed to compulsory inspection, and yet the very existence of your society, and all other similar societies, shows that some coercion is absolutely necessary, does it not?—I feel a great difficulty about that question; I should like to see the whole of the boilers inspected, if it can be done, in a manner which would not be felt by the trade as being a special hardship and annoyance upon them.

1675. You have already stated that you have refused to insure many boilers, and, in doing so, you have in a measure put a ban upon those boilers; do you think it is for the safety of the public that boilers of that kind should be in use; your objection to insure those boilers must be that you believe they are insecure, is it not?—Yes, that is our opinion.

1676. You having that opinion, do you think that it is in the interest of the public that those boilers should be continued in use?—It is quite possible that those owners might get hold of some other engineer who would say that such and such a repair was necessary, and that then they would go on safely.

1677. The owner might call in a very inferior engineer, might he not?—Yes.

1678. But of course the Committee want to bring the best minds of the country to bear, not only on the construction of boilers, but also upon the inspection of boilers after they are in use, and in order to do that the Committee wish to elicit the best means of doing it?—No doubt you know that there are a great many boiler-makers who are good ones, and there are a great many boiler-makers who are inferior ones, and who would equally give you a certificate of the soundness of a boiler for carrying a certain pressure.

Mr. *G. Barker.* 14 July 1870.

1679. Then your association and other associations are brought into play for the purpose of bringing to bear the accumulated experience of a number of engineers to inspect the boilers of those parties who might be using what we should suppose to be inferior boilers?—Yes.

1680. You have already stated that they are so in some cases?—Yes.

1681. Under those circumstances do you not think that some kind of compulsory inspection is really necessary?—I should like very much myself to see it carried out, if it can be done without being considered at all a hardship by those people, who think that they are doing their work well. You can get gentlemen in this Committee-room who will tell you that they do not need inspection, so that it would be rather too much to say that there should be compulsory inspection extended to them.

1682. But what the Committee have to look at, is the safety of the public, is it not?—Just so.

1683. One man will make a boiler for 300 *l.*, and another will make a boiler for 200 *l.*, and very likely it is the same thickness of plate, but not the same description of metal?—Yes.

1684. If the public is to be quite certain that the boilers which are in use, and now carrying a high pressure, should be subjected to some test, by whom should that test be applied?—That is a very great difficulty. I feel confident of the great advantage of inspection, and I should like to see it extended to every boiler in the district, but I do not see my way to do it.

1685. You know very well that in your firm, and in all large and good firms, with a number of boilers, they generally have some very competent person of their own to inspect; but on the other hand what you have to consider is the enormous extension of boilers for all purposes, not merely for works like yours and cotton factories and engineering places, but also that boilers are being extensively used in agricultural districts throughout the country for local purposes?—Yes; and for domestic purposes also.

1686. You cannot bring a competent engineer to every one of those small places, can you?—No.

1687. Then your object is to have an association like yours, in which you have the accumulated experience of 50 or perhaps 100 firms?—Yes.

1688. If any of those small people would join those associations, they would obtain the benefit of your accumulated experience, would they not?—Yes.

1689. Therefore you think there is a necessity for societies like yours and others?—Yes; that is my own idea, but when you ask if everybody is to be compelled to have his boiler inspected, I find a difficulty in answering the question; I should like to see every one independently inspected by experienced people.

1690. Why cannot that be carried out by associations like yours?—We are prepared to do it.

1691. You say that you could take the whole of the boilers in your district with your competent staff?—Yes.

1692. Then if you had some general pressure put upon those people to make them come to you, it would be an advantage to the district, would it not?—It would be a very great advantage, and I should like to see it done if it could be done.

1693. Mr. *Lancaster.*] You say that people are debarred from joining the association from fear of the cost of inspection?—Yes; I think with very small manufacturers that is the case; I do not remember any particular instance of that, but I think that would be the effect of it.

1694. Do you not think there is a fear on the part of those small manufacturers, that you may put them to expense in pulling down the brickwork of the boiler, and causing repairs that are useless in their opinion?—Yes; very likely there is that feeling too.

1695. You cannot overcome that difficulty, except by some system of compulsion, can you?—They would object to submit to it, of course, in that case.

1696. Is there any other way of overcoming that difficulty without compulsory inspection, do you think?—No; I do not see how it can be done otherwise, but I should like it to be done without compelling them.

1697. But you do not see any other way of doing it?—I think that the number of inspections is increasing.

1698. I suppose some of the boilers that do not come to you are of the worst kind?—Yes, and some of the best kind.

1699. But as a rule you would say that they are the worst kind, would you not?—That would be a very difficult question to answer, but no one would keep a boiler that he knew would blow up the next day; he would be afraid of being blown up himself.

1700. You mean that he would not do it wilfully?—No, he would do it from ignorance.

1701. Sir *T. Bazley.*] Is the average size of the boilers in your district as much as 50 horses?—Mr. Marten will answer that question better than I can.

1702. Have you any personal knowledge of any number of accidents to boilers?—Yes, we have had one at our own works.

1703. And your neighbours' works?—Yes.

1704. How many accidents have you a recollection of?—I may have gone myself to the explosions of about half a dozen boilers.

1705. You are aware that the legislature does afford redress for negligence on railways, and that railway proprietors are forced to pay parties for personal injuries sustained on their lines?—Yes.

1706. Are you aware that a greater number of deaths occur from boiler explosions than from accidents on railways?—No, that seems to me to be quite an error. I believe the total number of deaths by railway accidents to be four times greater than those by boiler explosions.

1707. What number do you presume that to be?—The Board of Trade Returns give the total number of deaths from all causes as 1,585 on railways.

1708. In what time have those accidents occurred?—From the year 1863 to the year 1869. The average during that period seems to have been 200 deaths, I hear, which is about four times a greater number than those by boiler explosions.

1709. The deaths from boiler explosions are about 75 per annum, are they not?—Yes, I believe there are about 75 deaths a year from boiler explosions, and by railway accidents the deaths from all causes average 200 per annum.

1710. Seeing

1710. Seeing that the Legislature does enforce the preservation of life in manufactories and on railways, do you think that boiler users who have been, perhaps, accessory to the death of as many people as there are in a regiment of soldiers (taking those that have been killed by boiler explosions in the last 10 years) should be exempt from responsibility?—No, I think they should not be exempt from some responsibility.

1711. Would you go to the extent of inspection previous to the use of a boiler which inspection should be made on the part of some local government authority?—I think that explosions occur generally in boilers after having been in use.

1712. Would it not be desirable to have, not only a preliminary inspection, but also a constant inspection afterwards to ensure safety?—A constant inspection afterwards is much more beneficial, I think.

1713. But seeing the injury to life and property is it not in your opinion desirable that boiler users should be under local or government inspection?—They should be under some kind of inspection.

1714. That is to say, an inspection that would have the power to correct the tendency to these disasters?—Yes.

1715. Then I think you are arriving very much at the conclusion that compulsory inspection is inevitable; if all the boiler users in the whole of the United Kingdom were under the discipline which you subject your boilers to, would there not be greater safety to the public, do you think?—I think there would.

1716. Mr. *Hermon.*] You say you are not in favour of an Act of Parliament making it compulsory that boilers should be inspected?—I cannot say that I am.

1717. Are you not aware that by the Act of the insurance company it becomes compulsory; for instance, you refuse to insure a boiler, unless it is inspected by some of your staff?—Yes.

1718. Consequently the Act of the insurance company makes it compulsory, does it not?—Yes.

1719. Why should you object to an Act of Parliament making it compulsory, the same results being arrived at in each case?—You would wish to see every boiler insured, if I rightly understand your question.

1720. No, I wish to see every boiler inspected; you have a great many boilers of your own?—Yes.

1721. I need hardly ask you if you have a very efficient engineer who can inspect your boilers as well as anybody else, perhaps?—Yes.

1722. But I presume that you have your boilers inspected by the officers of your company also?—Yes, certainly. It is so great an advantage to have an independent inspector; he gives us a report upon every boiler four times a year, and I hand it over to our own engineer.

Mr. *G. Barker.*
14 July 1870.

1723. But my point is this; by the action of your company, you make it compulsory that every boiler should be inspected that is insured by you?—Yes.

1724. Then why do you object to an Act of Parliament making it compulsory that every boiler that is not inspected by you should be inspected by some independent party; not necessarily a Government inspector?—I think it would be attended with very great advantage, but I do not see my way clear to it; you cannot compel everybody to insure his own life even.

1725. You are aware that all cotton factories are obliged to be inspected by a Government inspector, with regard to fencing the machinery, and so on?—Yes.

1726. Where do you draw the distinction with regard to having machinery inspected and having boilers inspected; is not the disagreeable part of the business, so to speak, the same to the employer of labour in each case?—It might be attended with very great harass to the manufacturer. One inspector might come and say, "You shall not work that boiler without a peculiar class of fittings"; and to which the owner might object, and that is the point where I fear Government inspection very much.

1727. But I am not asking you whether you wish for Government inspection; my question is confined to an independent inspection of the boilers; I do not say a Government inspection?—I am very much in favour of an independent inspection.

1728. Are you quite in favour of an independent inspection of every boiler?—Certainly.

1729. But you do not wish to have that inspection made compulsory at present?—No, I cannot see my way to it at present.

1730. Mr. *Cawley.*] You mean an inspection by a competent person, not having charge of the boiler, do you not?—Just so.

1731. Colonel *Grey.*] You say that the number of boilers put under inspection is increasing?—Yes.

1732. The Committee know that the number of boilers is increasing in England; do you mean that the number put under inspection is increasing, as compared with the increase in the number of boilers in the country?—Yes, I should say that the proportion was increasing.

1733. *Chairman.*] Have you any other observations that you would wish to make to the Committee?—No.

Mr. Edward Bindon Marten, called in; and Examined.

1734. *Chairman.*] You are Chief Engineer to the Midland Steam Boiler Inspection and Insurance Company, are you not?—Yes.

1735. How long have you occupied that position?—Since the commencement of the association, eight years ago.

1736. We have heard from the last witness the number of boilers that you have under inspection; do you think the number of explosions has diminished since the formation of the company in your neighbourhood?—I think they have.

1737. Do you think that the explosions throughout the country generally are fewer than they were, taking into consideration the increased number of boilers; I do not mean to ask whether they are abstractedly fewer, but are they of less frequent occurrence than they were formerly, as compared with the number of boilers which are now in use in this country?—We get particulars of so many more explosions now than we used formerly, so that it is very difficult to judge; I think as a rule they are slightly on the increase, but

Mr. *E. B. Marten.*

Mr. *E.B. Marten.*

14 July 1870.

but then a great many used to happen that we never heard of.

1738. Do you think that the inspection of boilers by independent parties before being set to work, would be an advantage; I mean the inspection of new boilers?—It is an advantage, because one has then the best opportunity of judging of the construction of the boiler.

1739. That would provide against accidents likely to arise from mal-construction, would it not?—Yes, it would; the chief accidents that have taken place from mal-construction are in altered boilers; boilers that have been altered from one shape to another.

1740. We have heard of an insured boiler which exploded after being repaired?—Yes.

1741. Do you recollect what kind of boiler it was?—It was a plain cylindrical boiler, with longitudinal seams.

1742. It exploded at the connection of the new part with the old part, did it not?—Yes, where the new part was joined to the old; the old part gave way.

1743. What sized boiler was it?—About 30 feet long by 6 feet diameter.

1744. That boiler could not have been inspected by a competent person, I suppose?—The boiler was inspected, and it was in consequence of the report of the inspector that the repair was commenced and done; it was not inspected after those repairs, but the boiler exploded after having been at work for two or three days.

1745. I believe that you have a record of the number of exploded boilers extending over a considerable length of time, have you not?—I have; I go back as far as I can obtain records. These 11 volumes (*pointing them out*) contain all the records commencing from the year 1800.

1746. Where are those records obtained from?—From all the available sources; from all the magazines published at the time; from the "Times" and several other daily newspapers; from the records of the societies, and also from a former inquiry before this House about steamboat boilers.

1747. Are they confined to English boilers, or do they extend to foreign boilers as well?—Both foreign and English boilers; foreign boiler explosions are as instructive as English.

1748. But what description of boilers generally were the English?—I have a list of them, with regard to their description; of the English boilers out of 936, 207 were not sufficiently described; 70 were marine boilers of various forms; 219 were Cornish boilers; 106 were locomotive boilers; 172 plain cylindrical boilers externally fired; 70 balloon, haystack, Butterby, waggon, British tube, elephant, and Trevethick boilers; 46 portable or agricultural boilers; 28 domestic boilers; 18 upright furnace boilers.

1749. Having gone back as far as the year 1800, you would get boilers of all descriptions perhaps, excepting that there would be a small proportion of locomotive boilers, and a very small proportion of portable agricultural and crane boilers, of which you said there were 46?—Yes.

1750. Locomotive boilers, agricultural boilers, and others have only been in use a comparatively short time, have they not?—Just so.

1751. So that that would be scarcely a fair criterion to go upon, would it?—No.

1752. Mr. *Cawley.*] Have you any idea of the number of boilers in the country?—My own idea is that there were about 100,000 two years ago.

1753. *Chairman.*] Have you made any record of the causes of boiler explosions?—Yes; as the Committee think going back so many years may be misleading, I will give the Committee the figures within the last four years. In the four years ending the 30th of June, out of 217 explosions, of four I had not enough particulars to place them under any head; 13 were marine boilers; 79 were Cornish, Lancashire, or others, internally fired; 15 were locomotive and other multitubular boilers; 58 were plain cylinder or others, externally fired; 8 were balloon, haystack, Butterby, waggon, British tube, elephant, and Trevethick boilers; 18 portable agricultural, upright, crane, very small and fire engine boilers; 10 were heating, kitchen, or domestic, 8 furnace upright boilers; rag steamers or kiers, 4; making in all 217.

1754. Now with regard to the causes, will you be kind enough to favour the Committee with that?—The causes of the explosions may be arranged under the following general heads: uncertain, 12; worn out, corrosion, deteriorated plates, 88; undue pressure, overloaded valves, intentional or careless, 23; bad construction, fittings, or stays, or want of repair, 52, weak tubes, 12, making 64 in all under that head. Short of water, deposit of scurf, or flues set too high, 28. The flues set too high produces the same effect as shortness of water; it scarcely amounts to mal-construction perhaps, for by keeping the water very high you could prevent danger.

1755. Then there are extraneous causes, are there not?—Yes, from extraneous causes; such as fall of buildings by lightning, coal gas in boiler flues, &c.

1756. That is in the last four years?—Yes; it is for the last four years ending the 30th June.

1757. Now are all the boilers inspected which are enrolled with you?—Yes, they are.

1758. What is your system of inspection; what do you call an ordinary inspection, and what do you call a thorough inspection?—An ordinary external inspection is one where only that is examined which can be seen when the boiler is at work; an internal inspection is when a boiler is emptied; and a thorough inspection is when also the flues are examined.

1759. How many thorough inspections do you give in the year?—We give one thorough inspection and three ordinary inspections.

1760. Does every boiler receive a thorough inspection every year?—Yes, if an opportunity is given us.

1761. But does it or not take place once a year?—No; we do not examine them all once a year thoroughly.

1762. You have not the opportunity of doing so, you say?—No; we have not the opportunity.

1763. But every boiler enrolled with your association receives at least three general inspections?—If they are insured, we insist on a thorough inspection to begin with; if they are inspected only, we do whatever the owner of the works gives us leave to do; we would inspect them thoroughly four times a year, if the opportunity was given to us.

1764. But if you are requested do you make a special visit to the works?—Yes; we make as many special visits as we are asked to do.

1765. Without extra charge?—Yes, always hitherto.

1766. Do

1766. Do you ever inspect a boiler without insuring it?—Yes.

1767. Have you a special payment for it?—Yes.

1768. What is that scale of payment?—For one boiler 1 *l.* a year; but if there are more than 10 boilers it is 13 *s.* a boiler.

1769. For that you would give not only one thorough inspection a year, but three general inspections?—Yes.

1770. Besides any other that might be asked for?—Yes; besides any other that might be asked for in reason.

1771. What is the average cost of inspection?—Seventeen and sixpence.

1772. Do you happen to know the amount of revenue derived from the inspection?—The average amount of revenue derived from the inspection is 13 *s.* per boiler.

1773. Mr. *Cawley.*] Of course you have no cases where there are less than 10 boilers, have you?—No, or only one two cases.

1774. *Chairman.*] The revenue from insurances, is how much?—About 1 *l.* 12 *s.* per boiler per annum.

1775. What is the average revenue?—£. 1. 3 *s.*

1776. What has been the average number of explosions in, say, 12 months; I mean explosions among your inspected boilers?—The average number among the insured boilers has been 1 in 2,600.

1777. You are now speaking of your own insurance company, are you not?—Yes; we have 1,000 boilers inspected, and 1,000 insured with our company on the average of eight years.

1778. Now inasmuch as you stated before that, two years ago, there were 100,000 boilers in the country, and that explosions were taking place at the rate of about 50 a year, what proportion is that?—That is 1 in 2,000.

1779. You do not seem to have done a very great deal by your inspection, particularly when you take into consideration that you have taken the best boilers; is not that so?—My object is to give the Committee the exact facts. I have tried to estimate the number of boilers in that particular district; I have taken out the number of explosions in the district where we now inspect, and it used to be, during the eight years, on an average, one in 1,221.

1780. That was before your system of insurance commenced in your district, was it not?—Yes.

1781. And you have reduced them to one in 2,600; is that it?—No, I take an estimate of the boilers in the district we work in. I think there are about 10,000 in one half, and about 10,000 in the other half; and the number of explosions that have taken place during the eight years past is one in 1,221.

1782. Is that including your own?—Yes, including our own; among our insured boilers, which averaged 1,000, it has been one in 2,600, on an average, per annum; whereas, among the inspected boilers, it has been one in 1,333.

1783. *Chairman.*] What is your view with regard to compulsory inspection?—The difficulty is in the form of the compulsion to be applied for fear fresh evils should be introduced by the form of compulsion, because I think the system of Government inspectorship would not have that hearty co-operation that the inspectors under the society would meet with.

1784. Do you fear that it would be harassing to the steam users?—Yes, I do fear that it would be harassing to the steam users.

1785. But are you of opinion that a periodical and general inspection throughout the country would prevent most of the explosions?—I am.

1786. Have you any recommendations to make to the Committee with regard to the inspection, or any means of doing away with the great bulk of these deplorable accidents?—I would say that if this Committee arrived at the conclusion that a periodical inspection was the greatest preventative to explosions, the influence of that recommendation would very much increase the inspection by those societies that undertake it, postponing legislation for the present, because coercion cannot produce the effect that a recommendation from the Committee might.

1787. But you having given the matter a good deal of consideration, will you please favour the Committee with any specific suggestion which you have to make on the subject?—My recommendations are; first, that the Select Committee should express a decided opinion that periodical inspection is the best means of preventing boiler explosions, but that this inspection should not be undertaken by Government until the employers of steam shall have had reasonable time to adopt inspection for themselves; secondly, that in order to inform the Government whether this warning is having effect, it should be temporarily arranged that reports should be made on each case of explosion, whether fatal or not, by two independent engineers of some experience in the subject; and that these reports should give a concise statement of the facts, and the evidence as to previous inspection, and the means taken to remedy any faults. That these reports should be printed and sold, as in the case of railway accidents. That no alteration should be made in the coroner's inquiry, but that the evidence of these engineers may be used if needed; thirdly, that information being sworn before two justices, that any boiler was dangerous, they might order inspection by competent persons, and, if the information was confirmed, order the boiler to be stopped, as is done now where reservoirs are said to be in danger of bursting.

1788. That embodies all that you have to recommend to the Committee, does it?—I think so.

1789. Would you recommend a penalty for non-compliance with those instructions?—I think that it would help us very much to attach a penalty if a boiler was found not to have been inspected, and perhaps a heavier one if the reports had been neglected.

1790. Mr. *Fielden.*] Would you have an inspection by a Government Inspector after every explosion, whether there was a loss of life or not?—No, not necessarily a Government Inspector, but somebody who was acquainted with the subject, who might be appointed to that office by the magistrates, or by the Inspector of Mines if it was a colliery boiler, or the Inspector of Factories if it was a factory boiler.

1791. Then he would be a Government Inspector, would he not; that is only another way of putting it; by adopting that you would have an inspection in the case of all explosions, would you not?—Yes, we should have an inspection in the case of all explosions for the sake of a record being kept by the Government with respect to what is being done in the way of inspection.

1792. But

Mr. *E.B.Marten.* 14 July 1870.

1792. But you are are not in favour of compulsory inspection except in that way?—I am not in favour of the Government having a system of inspecting all boilers indiscriminately when at work.

1793. You would only allow that inspection after an explosion has taken place, I suppose?—Only after an explosion has taken place.

1794. Or on evidence given that the boiler is unsafe?—Or on evidence given that the boiler is unsafe.

1795. Mr. *Hermon.*] Do you make it a rule that every boiler should be inspected before you insure it?—Yes.

1796. Colonel *Gray.*] You have mentioned 100,000 boilers as the probable number in the country, does that estimate apply to the present time, or to a year or two back?—I made it about two years ago; it is a mere guess, and I expect it is about the same now.

1797. But there is a considerable increase in the number of boilers every year, is there not?—Yes, and that is so much a guess that it is hardly fair to base anything upon it.

1798. Would it not be very desirable to have a complete register of the boilers in the country, and make it compulsory on the steam users to see that they were registered?—A boiler census of the numbers now employed would, of course, be useful in order to compare the number of explosions of each kind, and for the purpose of basing other calculations upon it; I do not think it would be necessary to do it perpetually.

1799. But if you had a return each year, that would be useful, would it not?—Yes.

1800. And would it not be desirable to make it compulsory, in some way or other, to have the boilers inspected?—It would be desirable, I think, to make it compulsory; but inspection, as a means of prevention of accidents is comparatively a new idea, and after an expression of opinion by such a Committee as this, the prejudice of a great many people would give way, and they would take that as the authoritative means of prevention.

1801. But is it not your opinion that there would be great danger that people would pay no attention to any recommendation of any committee whatever?—I think they would be fewer than some people estimate them at.

1802. You say that an inspection should not take place until a reasonable time had been afforded to have the boilers inspected?—Yes, after the declaration of that opinion.

1803. What would be a reasonable time, in your opinion?—You can judge of the effect after the first year's return of accidents after that declaration of opinion.

1804. You suggest that an information of the state of a boiler ought to be sworn before two justices, but at whose instigation would that take place; independent persons would not be likely to take it up, would they?—When people are in fear of a boiler that is working near them, they ought to have some means of stopping it.

1805. By what means?—By a magistrate ordering an inspection, and peremptorily stopping the boiler if it is found to be dangerous.

1806. But I scarcely understand how the proceedings are to be commenced?—If a man has a fault to find with a boiler that is at work in his neighbours' works, and that it is likely to do him an injury, he gives information before the magistrates, and then they order an inspection to ascertain whether or no the boiler is safe; that would be the process.

1807. But who is to give information; do you mean the people employed in the works?—Either the workmen in the works, or those employed in neighbouring works, or a dweller in a cottage near, or those who own other works near.

1808. Do you not think that the people who are employed in the works would be very unlikely to give information; would it not be as much as their place was worth, especially supposing the boiler was found to be safe?—The information is sure to spread to the neighbours, and if any workman knew of a dangerous boiler, some of the neighbours would take the initiative, I think.

1809. Do you think that is likely to be done if some person is not appointed as an authority to look after the thing?—I think it probably would be done.

1810. Mr. *Cawley.*] Do you think that, in ordinary cases, anybody except the man in charge of the engine or boiler has the means of knowing whether it is dangerous or not?—I think that others sometimes have the means of knowing it.

1811. But ordinarily is that the case?—The reason of that recommendation is from my knowledge of cases where there seems to be no law to prevent the use of a dangerous boiler.

1812. The initiative must be taken by some one who is to give the sworn information to the magistrates?—Yes.

1813. You do not mean by that, that if a man has got a boiler next to my office, that I am to go before a magistrate and swear that I believe he is using a dangerous boiler, and that, when I am asked how I know the boiler is dangerous, I am simply to say I fear so?—If you satisfied the magistrates that it was necessary to have it inspected all would be well.

1814. But how is a man to satisfy the magistrates, unless he can swear to some personal knowledge of the state of the boiler itself?—I think the magistrates ought to have power, even if a man wishes to have information with regard to whether a boiler is safe or not.

1815. But would not it be giving the magistrates power at the mere whim of any timid person, to enforce an inspection? That would be compulsory inspection, would it not?—Of a very limited character, I think.

1816. Do you think that timid people are very limited in number?—Timid people who live so close to boilers are limited in number.

1817. In large towns, there are a great many I think. You used the illustration of reservoirs, but in that case a man must show from his knowledge of the reservoir some reason, must he not?—Yes.

1818. The magistrates do not act on the man simply saying, "I am afraid;" do they?—The magistrates would have to satisfy themselves whether the complaint was reasonable or no.

1819. What kind of evidence, do you think, would justify the magistrates in enforcing an inspection. I think you have not told us the number of explosions that you have had in inspected boilers; you gave us three as those of insured boilers?—Yes, three insured boilers.

1820. How many explosions have you had in inspected boilers?—Six.

1821. The number of explosions of inspected, and the number of insured boilers being about equal?—Yes, it is about equal on the average.

1822. Therefore the inspection, without insurance

insurance has not been as efficacious as it has been with insurance?—Decidedly not.

1823. You said that you inspected boilers as much as you had an opportunity of inspecting them?—Yes.

1824. Now, will you be kind enough to tell the Committee what kind of inspection that has really been; I want it in general terms, if you please; you told us, with regard to insured boilers, that you always made a thorough inspection before accepting them?—Yes.

1825. With regard to the inspected boilers, you said you gave such an inspection as you had an opportunity of giving?—Yes.

1826. Will you tell the Committee in general terms what kind of inspection it is, and to what extent it goes?—The company make no distinction whatever in the inspection; the inspectors do not know whether the boilers are inspected or insured; we have no means, however, of enforcing by refusing the insurance when a boiler is only under inspection; if we come to inspect a boiler thoroughly in the flues, if the boiler is intended to be insured, we can say, "We will not insure it unless you allow that to be done."

1827. But that being so, as a matter of fact to what extent has the inspection gone with boilers only inspected, and not insured?—I should think that 70 per cent. of the inspected boilers are thorougly inspected.

1828. Then is the cost of the inspection of the merely inspected boilers about equal to that of the insured boilers?—It is just the same.

1829. Then, according to your evidence, you seem to be very kind to the persons whose boilers you only inspect, because you lose 4*s.* 6*d.* a boiler per annum; you say the average cost is 17*s.* 6*d.*, and you receive 13*s.*?—Yes; that is taking the average; the reason that the inspected boilers can be done at rather a less price is that they almost always belong to large firms with a great number together, whereas the insured boilers are much more scattered, and in smaller numbers.

1830. Then your former answer was not quite correct when you said that the cost of inspection was about the same?—I give you the average cost correctly.

1831. I asked you whether the cost of an inspected boiler was about the same as the insured boilers, and you said it was?—Yes.

1832. And I said, if that were so, you were losing by those boilers?—Yes; we do lose by the inspection alone; we adopted the rates that were then prevalent in other societies, and we find on taking out these figures that they tell thus much against us.

1833. Can you give any explanation to the Committee why the ratio of explosions in the inspected boilers only should be double what it is in the insured boilers?—Six boilers under inspection without insurance have exploded; five of them exploded through seam rips; one just after being enrolled, and before internal examination, only about two months after it had been enrolled; another while the fire was being drawn, in conseqnence of our report that repairs were needed; two others were reported as needing repairs which had not been done, and in the last the weakened state of the boiler had been pointed out, and an opinion expressed by the refusal of the insurance.

1834. What are those "seam rips"?—Seam rips are where the old iron is cracked from rivet-hole to rivet-hole, generally by the addition of a new plate.

1835. Would not that be detected by inspection?—It is a most difficult thing to detect, because it may exist without showing itself on either side of the plate. In most of the cases the danger had been detected and reported.

1836. But can you give any explanation why the ratio should be double in the case of inspected boilers?—It is because we have more power over the boilers which we insure.

1837. Does it not then come back to this, that inspection only is not so efficient?—It is not so efficient, of course, and the inspection is of no use if the report is not attended to.

1838. Does it not follow from that that inspection without compulsory power is comparatively useless?—No, it is not perfectly useless, because when an accident does happen, as in the last case, the evidence of the inspector is, of course, available, and it leads, or should lead, to a very strong condemnation of the steam user.

1839. But with regard to the prevention of explosions, apart from any indirect results of that kind, does not it follow that for the purpose of prevention of explosions mere inspection without compulsory power is comparatively valueless; you exercise a compulsion over those insured which is a compulsion given you by voluntary agreement?—Yes.

1840. In the other case, you have not got that compulsion, and the ratio of explosions is double?—Yes.

1841. Is not that because you have not got that compulsory power?—Yes; no doubt it is because we have not got that compulsory power.

1842. Mr. *Platt.*] What is your mode of inspection when you inspect boilers?—The mode of inspecting boilers is first to notice all that can be seen from the outside, and make a note of it at the time on a form prepared for the purpose, then to enter the boiler and make similar remarks on everything that can be seen on the inside, and then to traverse the flues and note everything that is to be seen there.

1843. Do you use the water test at all?—We do at times, but not as a regular thing; we put the water test on during the examination, if we have an opportunity, or if we have any reason for wishing to do so.

1844. But when you use the water test what pressure do you put on?—About half as much again as the working pressure.

1845. Then in some cases you do use the water test, and when you do so, you apply about 50 per cent. more than the pressure which the boiler is made to carry usually?—Yes.

1846. You recommend that a Government inspector should be sent down after an explosion; would it not be better that the inspection should take place before the explosion?—If a perfect system of inspection, perfectly administered, could be brought about, that would be so, but the question is as to a Government inspection being perfect.

1847. You are not then so much against compulsory inspection, as against the mode of it, or the parties to whom that office should be entrusted, is that so?—That is so; it is the difficulty of bringing about even as good an inspection as the societies give at present that I look to.

1848. Do you think that if a local body could be formed to bring it about properly, compulsory

Mr. *E.B.Marten.*

14 July 1870.

inspection should be entrusted to that body?—I do.

1849. What is your opinion with regard to corporate towns; would you have any objection to trust that power to corporations?—A corporate town is such a very small district generally.

1850. But I speak now in the first place of large boroughs or corporate towns; what do you say to that; take Manchester or Liverpool, or any of the large towns in the north of England; do you not think that if the power of enforcing compulsory inspection were entrusted to the corporations of those boroughs which I have named, that would be an effectual mode of doing what is necessary?—It might work in a very few exceptional places; say in 10 or a dozen large towns, but small towns and boroughs would be too small.

1851. But at all events in large towns you think that they would be the proper parties?—I think that they might answer the purpose.

1852. Then outside corporate towns you would have the counties and divisions of counties, I suppose?—I would not have it all one system; but I would divide it something like the inspection of mines and factories, into districts.

1853. And so you would if you had it divided into boroughs and counties, would you not; you would have a large number of associations throughout the county, would you not?—Yes, not so subdivided as division into boroughs would make it, but about as much divided as it is for the inspection of mines.

1854. Then I take it to be that you see no objection at all to compulsory inspection, if means could be devised so that the thing could be done by the local authorities residing in those particular districts?—If the system can be made a good one; it all depends upon the system that can be adopted.

1855. If the system is good, then your answer would be that you think it would be a proper thing to enforce inspection?—Yes.

1856. Mr. *Lancaster.*] Do you say that you would have a competent engineer to attend and give advice to coroners juries in case of explosions?—No, I would not interfere with the coroner's inquest at all; not in any way whatever; but that in every case of accident, whether fatal or no, there should be an engineer who had had some experience on the subject, who should draw up a concise statement of facts, and that that statement might be published to inform the Government and the public what was being done towards general inspection, but his evidence might be used by the coroner, if he so desired it.

1857. Are you aware that the coroner has the power to call in such persons now, and that he does do it occasionally?—Yes, I have been very often called in myself.

1858. Then that system is now in operation?—Not in cases where there is no death. I think that the coroner's inquest is not the best tribunal to inquire into those cases, because the very fear of a verdict of manslaughter before witnesses eyes, who may say too much, makes it very difficult to elicit the truth. An inspector who makes his own private examination, gets his information in conversation, and then draws up his report, would be much better.

1859. Do you think the corporations an county authorities could properly appoint inspectors to perform those duties permanently?—What I suggest is only a temporary arrangement, and temporarily, I think, the corporations would do.

1860. But temporarily or not, would not, in your judgment, the corporation be a competent authority to appoint persons to act in that capacity?—Not so competent, I think, as the Secretary of State, or the magistrates.

1861. But do you think that a corporation, such as Birmingham for instance, cannot command the necessary talent for that purpose?—No doubt they could do so perfectly.

1862. You are aware that the magistrates in quarter sessions appoint bridgemasters to look after the bridges of the county?—Yes.

1863. Do you not think that that tribunal could appoint also competent men to perform that duty in the country with regard to boilers?—Yes, they could appoint such an inspector as I have alluded to.

1864. Do you see any harm in investing the corporations or the court of quarter sessions with that power instead of the Government?—No, I do not.

1865. Would you prefer that to Government inspection, do you think?—I think I would.

1866. Mr. *Fielden.*] Am I to understand that you think corporations are fit persons to appoint inspectors of boilers?—I was not alluding to a system of inspection, but to those temporary inspectors whom I have spoken of.

1867. Are you not aware that political feeling often runs high in corporations or town councils, and do you not think it possible that appointments might be made from political considerations?—The case would only arise quite suddenly, perhaps 50 times a year, and as it would be spread over the whole of the united kingdom; political considerations could hardly influence more than perhaps one appointment in the whole year.

1868. Suppose the officer had to inspect the boiler of a steam owner, and was a strong partisan on the same side, would he be as independent as a Government officer?—Nothing follows on his action except the information that is published and open to the criticism of the whole kingdom; it is to elicit information with respect to what is being done towards inspection.

1869. But the inspection might be to ascertain the cause of an accident, might it not?—Quite so.

1870. Might not that involve a man being put on his trial for manslaughter?—Yes.

1871. Would a local man then be so independent as a Government inspector coming from a distance?—The report would be only an individual opinion, and it would be published for the benefit of all steam users who like to buy it.

1872. But here is a man who knows that the effect of his evidence is to put another man in a very awkward position, and who is a very strong partisan on his behalf; how would that work?—No one man could have the appointment if it was an appointment from a corporate body.

1873. But one man could do a great deal towards it, could he not?—I think that men would be selected with sufficient talent to be above all that.

Monday, 18*th July* 1870.

MEMBERS PRESENT:

Mr. Armitstead.
Mr. Cawley.
Colonel Gray.
Mr. Hermon.
Mr. Hick.
Mr. Laird.
Mr. Lancaster.
Mr. Pim.

JOHN HICK, Esq., IN THE CHAIR.

Mr. ROBERT GALLOWAY, called in; and Examined.

1874. *Chairman.*] You are the Chief Surveyor of Steam Vessels to the Board of Trade?—Yes.

1875. Your inspection is confined to steam vessels, is it not?—Yes, in that department, it is.

1876. What is the nature of the examination that you give to the boilers?—We open the boilers so as to make a thorough inspection of the interior, and also the exterior as far as possible; then we measure the distance of the stays apart (if it is a square-sided boiler), and the size of the stays, and from these figures we regulate the pressure at which it is to be allowed to work.

1877. Do you examine the boilers before they are set to work?—Yes.

1878. Do you do so before they leave the maker's yard?—No, not before they leave the maker's yard; in some cases we do when the owners give us an opportunity of doing so; in other cases we go over the boiler when it is received.

1879. And by that means you are enabled to detect any defect in the construction?—Yes.

1880. Or in the material?—Yes, we find out very many defects in construction.

1881. And in the event of finding out defects and points of malconstruction, what is the course pursued by you?—We point them out to the owner, and if he will have them remedied we continue our inspection and give him a declaration to the effect that we are satisfied that the boiler is sufficiently strong to work, and he forwards it to the Board of Trade, and the Board of Trade grants a certificate allowing the vessels to carry passengers for a certain time.

1882. Until that certificate is granted the boiler cannot go to work, I suppose?—The owner can work the vessel, but he cannot carry passengers; only if anything happened to the boiler after that he would be in a very awkward position. It is compulsory that the owner of a steam vessel should have a certificate only when it takes passengers.

1883. You have certain rules with regard to the staying, and the number of the safety valves?—Yes; the Act of Parliament compels the safety valves to every boiler to be out of the control of the engineer while steam is up, so that he cannot put additional weight to them.

1884. Do you insist upon fusible plugs over the furnaces?—No; they would not answer in a marine boiler.

1885. On account of the deposit, I suppose?—Yes, on account of the deposit.

1886. They would become inoperative by means of the deposit?—Yes.

1887. How do you detect deterioration in your examination afterwards, I mean external deterioration, when the boiler comes in contact with places where you cannot well get at it?—We examine all the parts we can get at, and if they are in good condition we take it for granted that the other parts must be in the same condition.

1888. Reasoning by analogy, in fact?—Yes; it is impossible to examine the whole exterior of a boiler in steam vessels unless you pull the bulkheads down and break the deck up; but we make a thorough inspection of the inside of the boiler.

1889. You give such an inspection as enables you to have the boilers put in such a state as to make explosions very rare?—Yes, it is very seldom that we have an explosion now; we had one about six weeks ago in a small boiler in one of the Harwich boats, "The City of Rotterdam," but no inspection could have prevented it.

1890. Have you had any explosions of boilers under your inspection?—Yes, we have had three or four.

1891. What kind of boilers were they?—They were square-sided boilers, with the exception of this last one which I have referred to. That was a small cylindrical boiler, a donkey boiler, in the engine-room. That accident occurred in a way which it was not possible to prevent. This boiler was in the stokehole of the vessel, and the water-line of the boiler was about the level of the water-line of the ship when afloat. When they wanted to get the steam up their custom was to open the cock, so that the water could run up to its proper level, the man did that in this case and forgot to close the tap, and when he had got the steam up, the steam displaced the water; there was sufficient time for the steam to be got rid of and the inside of the boiler to get red hot, the water then returned on the red hot plates and the boiler exploded and killed the man instantly. I examined that boiler afterwards and I found that it was very strong, and that the working pressure might be 50 lbs., whereas it was only working at 20 lbs.

1892. You say that no inspection could have guarded against that explosion?—None.

Mr. *Galloway.*
18 July 1870.

Mr. *Galloway.*

18 July 1870.

1893. It was a matter of sheer neglect on the part of the attendant?—Yes.

1894. Were there any other lives lost in that case?—Yes, the second engineer was also killed.

1895. How long ago is that?—Six weeks ago.

1896. What do flat-sided boilers explode from?—We had one a few years ago which was a flat-sided boiler, in which the cause of explosion was wear and tear; there was no question about it.

1897. Mr. *Hermon.*] An inspector could have detected that?—Yes.

1898. *Chairman.*] Do you think that your system operates to the prevention of accidents generally, or, at least, that it operates very favourably in preventing them?—Yes, I think it does; but at the same time we do not relieve the owner from the responsibility of seeing that everything is in proper condition.

1899. You think that your system is a satisfactory system?—I do not think it is sufficiently strict.

1900. How would you make it more so?—Suppose a vessel arrives to-day; there is a great hurry to get her away, the survey is made in a hurried manner, too much so to be a proper survey; there is not time allowed sufficient, in my opinion. I believe the Board of Trade intend that the inspection should be once a year instead of every six months, so that there would be more time given, and the owners would be able to manage it very much better; for once a year it is their custom to stop their vessels for a general overhaul on their own account.

1901. Is yours a compulsory system?—No; if you make it compulsory, you must relieve the owner of all the responsibility.

1902. You would object to relieve the owners of all responsibility?—Yes, I should object to relieve the owners of all responsibility; for although the thing may be perfect to-day, yet without proper supervision and employing proper people to conduct the machinery, it would be very soon out of condition.

1903. Could such a system as that adopted by the Board of Trade for marine vessels be carried out with regard to land boilers?—I think it could; and it would work very well, in my opinion. If the buyer of a boiler had the power to call in a Government inspector, and to say, "I am going to purchase such a boiler; I want you to satisfy me as to its efficiency before I purchase it;" I think that would be one great safeguard.

1904. You would not make it compulsory, because it would remove the responsibility from the owner of the boiler?—Yes, just so.

1905. Will you be kind enough to state generally to the Committee what system you recommend to be adopted by the users of land boilers?—We will take the directing power to be in the Board of Trade; I think they should appoint inspectors to districts, dividing England, Ireland, and Scotland into districts, and then the owner, or intended purchaser, of a boiler, should be able to call in an inspector to certify to the condition of the boiler before it left the makers' premises; and again when it was fitted and ready for work, the Government inspector should also attend and see that it had its proper fittings; then he would give a declaration to the owner, to say he was satisfied that the boiler was thoroughly sound and properly fitted. That would be forwarded to the Board of Trade, or any other department appointed for that purpose, and a certificate would be granted enabling the owner to work that boiler at a given pressure for a given period.

1906. The Board of Trade would give that certificate?—Yes.

1907. Who should pay for that inspection?—The owner of the boiler; the same as the owners of steam vessels now pay.

1908. But when he had obtained that certificate, in the event of any accident, it should not free him from responsibility?—No, I think not, because he might employ an incompetent man. I would go beyond that. We examine the engineers of steam vessels, and give them a certificate of competency; I would in this case let every engine driver apply to the inspector of the district to be examined, and if the inspector thought the man sober and competent to manage a boiler, he should certify to that effect; and then the Board of Trade, or some other department, would grant a certificate. That, in addition to the inspection of the boiler itself, should free the owner from resposibility in the case of accidents; I mean with regard to an investigation before a jury; it would go a great way with a jury, who would then consider that the owner had done all that was possible.

1908.* In your opinion, should it be incumbent on every user of a boiler to ask for an inspection; that is to say, should he apply to the Government, or should the Government insist on sending an inspector, whether he asked for it or not?—No, that would make it compulsory; I would make it a voluntary act, that if the owner liked to ask for an inspection he should get it.

1909. It would require a very large staff to enable the Board of Trade to carry out all that, would it not?—Yes; any system of management would require a large staff, and whether it is the Board of Trade or any other Government department, I think it should be a Government department to manage it.

1910. But you would not have the inspectors to be Government men, but simply certificated men?—Yes; I think the chief inspectors should be appointed by the Government.

1911. But should the inspectors be chosen from the different districts?—I think the Government department should pick out the most eligible men for that service. They would have many applications, no doubt.

1912. What would you propose to do in case of accidents to certified boilers?—I think in case of loss of life the coroner should hold an inquest in the usual way, and the chief inspector of the district should attend and give him every assistance, and then it would be for the jury to arrive at the conclusion whether the owner had done all that he possibly could or not to avoid danger. I think if it was shown to the jury that the owner had done that, they should bring in a verdict of accidental death.

1913. Should the owner be responsible for any act of his servant?—I think if he employed an incompetent man he should be answerable for his actions, whether he had had his boiler inspected or not.

1914. How should the boiler attendant become certificated?—He would make an application to the chief inspector of the district; the chief inspector of the district would examine him, and the applicant would also have to produce certificates to show that he was a sober man. Then upon that the chief inspector would certify that he was sober and competent, and the Government

Government department would then give the man a certificate. That is on the principle that we adopt with the engineers of steam vessels.

1915. Do you think that a very large proportion of the accidents are caused by the want of such men?—Many of them are caused by negligence on the part of the attendants. There are three causes which create accidents; that is to say, deficiency in construction, want of proper fittings, and inattention on the part of the attendants.

1916. You are not able to state to the Committee what proportion of accidents occur from want of care on the part of the attendants?—No, I am not able to say.

1917. But it is a very large proportion?—Yes.

1918. Suppose an accident happened to a boiler that was not certified, and loss of life occurred, what would you propose in that case?—Then I think the coroner should hold an inquiry, with the assistance of the chief inspector of the district, and if it is shown there has been want of care on the part of the owner, and that he has in some way caused the accident, he should be liable, on the same principle that railway companies are liable now.

1919. Whether caused by want of care in not providing proper fittings, or in not providing proper attendants?—Yes.

1920. Mr. *Hermon.*] Should he be held liable, in your opinion, for money damages or for the crime of manslaughter?—He should be liable for money damages, I think.

1921. *Chairman.*] You think that such an inspection as that would meet the difficulty?—Yes; if the owners of boilers knew their pockets would have to suffer in case of damage, they would come forward voluntarily and have the inspections made.

1922. Mr. *Hermon.*] You think that if a boiler were regularly inspected by a Government inspector, and the engine attendant or stoker was furnished with a certificate, the steam user would be relieved from responsibility, do you?—No, I do not go to that extent, because it would be a voluntary act on their part to seek Government inspection; it would merely be putting themselves in as good a position as they possibly could be in before a jury, to show that they had done all they possibly could to avoid accidents.

1923. How often do you inspect marine boilers and river boilers?—Every six months.

1924. Do you find that the sea water deteriorates the boilers, or does the fact of blowing the steam through, remove the deposit of salt water?—Not at all.

1925. Is it not the practice to blow steam through in many cases?—Yes, but there is always a deposit except where they have surface condensers; in almost all sea-going vessels now they are fitting surface condensers.

1926. The inspection is compulsory where passengers are concerned, you say?—Yes, the inspection is compulsory where a vessel carries passengers.

1927. You think that the Government should appoint the inspector, do you not?—Yes.

1928. And you would give the steam users no part in the selection of the inspectors?—None whatever.

1929. And you would give them no part in providing boards of management, or anything of that kind?—None whatever; they might have an inspection if they thought proper, but they should have no voice in the selection of the inspectors.

1930. You are of opinion that the Government would do it much better than the steam users, I suppose?—I think that the public would have more confidence in Government management than in that of an association; a private association with power such as would be necessary to enforce inspection would be irksome to the steam users.

1931. You prefer the Government having the direct appointment of the inspectors, rather than the steam users selecting the inspectors to be approved by the Government?—Yes; I would make them perfectly independent of the steam users.

1932. Mr. *Laird.*] You say that your system of compulsory inspection is only applicable to passenger steamers?—Only to passenger steamers.

1933. And do the others ever apply to you for certificates?—Sometimes they do.

1934. But not as a general rule?—No, not as a general rule; sometimes when they are building a vessel there is a clause in the contract that the vessel shall be fitted according to the Board of Trade's regulations, and in those cases we attend.

1935. They do not seem to think that it is of much consequence whether they have your certificate or not, do they?—It is for the protection of the owner.

1936. But you say that they do not generally require a certificate unless they are compelled to do so under the Passengers Act?—No.

1937. Then do you think that the owners of land boilers would apply for an inspection?—Yes, I think so; they would be afraid of the consequences; but even a certified steam boiler may burst, and we hold an inquiry, and if it is shown that the owner is wrong, and there is loss of life, a jury may bring in a verdict of manslaughter.

1938. The owner might bring witnesses to prove the contrary; but, however, you consider that the Board of Trade, having examined the boiler, should give the engineer a certificate as well?—I think it goes a great way to satisfy the jury that the owner has taken all possible care in keeping the machinery right.

1939. Colonel *Gray.*] Are there a great number of marine steam boilers in which explosions take place?—No; within the last 20 years I think I remember about seven.

1940. There is not the same number of explosions in marine boilers as there is in land boilers, then?—No; but marine boilers are taken more care of than the land boilers, I think, and as a rule the owners look more after them.

1941. But the proportion of explosions in marine boilers is much lower than in land boilers, is it not?—Yes, I should say so.

1942. But of course there are a great many more land boilers than there are marine boilers?—Yes.

1943. Do you think that there should be a register of all boilers kept in the country?—That would be entering into the compulsory question. I think that when the owner came forward voluntarily to ask for an inspection, then his boiler should be registered, but not otherwise. I would have power to hold an inquiry

Mr. *Galloway.*

18 July 1870.

into every boiler explosion, whether they took a certificate out or not.

1944. Are you at all aware what proportion of marine boilers not used for passenger traffic are inspected?—I am not able to say.

1945. I thought from that, you might form some judgment with regard to the number of owners of land boilers who would take out a certificate, though they were not compelled to do so; do you not think that a very large proportion of marine boilers not used for passenger vessels are not inspected?—Yes, a very large proportion.

1946. That is to say, because it is not compulsory?—Yes.

1947. But it is compulsory for passenger vessels?—Yes.

1948. Do you not think that the same motive, whatever it is, would operate with the owners of land boilers to prevent their being inspected?—If you make it compulsory, you say this, "You shall do a certain thing and yet you shall be responsible." I do not think you can do that very well: you must either make it voluntary or withdraw the responsibility.

1949. In fact, the inspection is compulsory for passenger vessels, is it not?—Yes.

1950. Then I want to know what you think would be a sufficient motive to induce people to have their boilers inspected where they were not passenger vessels?—If there were an accident they would be called upon to pay damages in case of loss of life or injury to property.

1951. That is only the same as it is now; the boiler owner is liable for that now, is he not?—Yes.

1952. Then how would you have any more boilers inspected, under your proposed system, than you have now?—I think you would, because in case of loss of life there would be an inquiry held.

1953. You say that there are some explosions of marine boilers that could not be prevented by inspection?—Yes.

1954. But the Committee have been given to understand that that is not the case with land boilers, but that if there were proper inspection boiler explosions could be prevented almost to a certainty?—I do not think that is so.

1955. In the case of the explosion you mentioned, it was not altogether the attendant's fault, was it?—Yes, it was entirely the attendant's fault.

1956. It was not the way in which the boiler was fixed?—No; the boiler was very strong, and fitted in every way in a proper manner.

1957. You think that the inspectors should be appointed for certain districts?—Yes.

1958. Have you gone into the matter of how you would apportion the country; how many inspectors you would require, and what their qualification would be?—No.

1959. They would have to pass some examination, I suppose?—They would have to prove their knowledge of such matters. There would be no difficulty in obtaining a proper number of men for that purpose.

1960. But you are not aware what the cost of the inspection would be, are you?—No, I have not gone into that matter.

1961. You would place the cost on the steam users, would you not?—Yes.

1962. That would be a tax on them, would it not?—Yes, according to the number of boilers.

1963. A single boiler might not be much, but 80 or 100 boilers would be a good deal?—Yes; but it would be less in proportion; if you charged 5*l.* for one, then you would not charge 5*l.* apiece for 20 boilers.

1964. But you think that they would not object to that; would you make it compulsory on them?—I do not think the compulsory plan would answer very well; you would have to engage an immense staff to carry that out.

1965. I thought that it was a compulsory plan that you recommended?—No.

1966. Then what is the good of this Government inspection being adopted?—The owners of boilers would come forward and ask for inspections to be made, still keeping the responsibility on their own shoulders.

1967. You are opposed to the compulsory system?—Yes.

1968. Mr. *Laird.*] Would the present inspectors appointed by the Board of Trade be able to undertake the duties of inspecting land boilers at the places where they are stationed, in addition to their present duties?—There would be a new set of inspectors entirely. I do not propose that the marine inspectors should take upon themselves the duty of inspecting land boilers; I look forward to a new set of men entirely.

1969. Mr. *Cawley.*] Will you be kind enough to explain to the Committee why you think compulsory inspection must of necessity remove the responsibility from the owner?—I think the owner of the boiler would say, "I am forced to do a certain thing whether I like to do it or not, and in that case I do not care about taking any further interest in the matter."

1970. But suppose the inspection, instead of forcing him to do a certain thing, is rather the other way, namely, to prevent his doing a certain thing, the object of the inspection is to prevent a certain thing being done, is it not?—Yes, whichever way you take, I think the jury would say, "You force that man to meet your views, to do what you require, and he has done so; we do not think he is now liable."

1971. But leaving the view of the jury out of consideration altogether (because that is a question of criminal liability, and there is no doubt a disposition frequently existing to bring in a verdict of accidental death when perhaps it should not be so), why should a man be relieved from responsibility because he is prevented from using a boiler which competent persons know to be dangerous?—But if you make a man put that boiler in a proper condition, and an accident occurs through the neglect of any person on his premises, he is still morally responsible.

1972. But are you not now mixing up two things which are essentially different; the carelessness of the men we all admit cannot be prevented by inspection, and the steam user would be liable under the common law of the land with regard to the act of his servants, but the other causes of explosions which are due to improper or inefficient construction are not within the same category; probably such explosions would not occur, but suppose they did occur, why should the steam user be relieved from responsibility?—I think that if you force an inspection upon a man you must relieve him of all responsibility.

1973. But are you not putting a very extreme case; would accidents be likely to occur from those causes with competent inspection?—I should

should meet that case in this way, that if an accident occurred to a boiler, although the owner had not a certificate, there should be an inquiry held, and if it was found that he was in fault then he should be made to pay.

1974. That probably may be so now, but the object of inspection is to prevent accidents, is it not?—Yes.

1975. I assume that if the inspection was efficient, so far as accidents from malconstruction go, they would be pretty nearly reduced to nil; if that were carried out, a man's risk must be very small, must it not; why should that be an objection to compulsion in that sense?—If by inspection you made the boiler perfect, so that there would be no chance of explosion, it would not matter, but I think it would be an undue interference with the works of a manufacturer. If you made that compulsory the inspector would have to go at a certain time and make his inspection irrespective of the convenience of the owner of the boiler. He might say, "I am coming on so-and-so; you must stop your works." Whereas, if it is voluntary, the owner must suit himself, and he might say to the inspector, "I give you notice that I shall be ready on such-and-such a day."

1976. We have obtained these facts from other witnesses, that there are a very large number, probably 100,000 boilers in the kingdom; that there is a very small per-centage of those boilers that are under any sort of inspection whatever, and further, that those parties who voluntarily put themselves under inspection, are the parties who least require it?—Yes.

1977. And that we have a very large per-centage of parties who, from some motive or other, work their boilers dangerously, and work dangerous boilers; now the object in view is, if possible, to put some control over those parties; as voluntary inspection seems to fail, what is the real objection to making it compulsory?—I do not think that the voluntary system has had a fair trial.

1978. But it has been open to everybody ever since steam boilers were put down, has it not?—Yes, the inspection by the associations.

1979. But we find that it is only those who least require it who do it; is not that so. Take factory inspection, for example; there is no question, I suppose, that a certain portion of factory owners never required inspection, and a great many others did, and it is now made universal?—If you make it compulsory, you must make everybody abide by the law, and send in inspectors to Messrs. Maudslay's and Messrs. Napier's factories, and so on, and say to them, "We know better than you do about your boilers."

1980. That surely does not follow; take factory inspection with regard to the protection of machinery, which I remember a great deal of when I was a boy; the same objection might have been raised by first-class spinners, "You compel us to do that which we are perfectly willing to do;" but it is nevertheless done. When you suggest that there should be a Government inspector, and that the man who purchases the boiler may get a certificate, are you carrying it further than it is now carried, when it is already open to any prudent man to obtain such an inspection, and it is, in fact, sometimes done?—That is in the usual way of trade; I do not think that that would have very great weight with the jury.

1981. But never mind the jury; look at it as a question of protection to the public, first of all? In many cases that inspection is very effective, in other cases it is not so effective; with an independent man not connected with the trade, such as a Government officer, there is more dependence to be placed on his inspection, I think.

1982. But would not the same man who, under your system, might require that certificate from a Government officer for his boiler before he paid for it, be precisely the same man who now refers to some competent man before he takes the boiler?—Of course it is done in some cases; but I do not think that it adds anything to the protection of the user of the boilers.

1983. You think not, do you?—Just so; because in some cases he does not get an independent opinion.

1984. But I assume, of course, that he calls in a competent party?—If he calls in a competent party, and an independent man, then no doubt it is in a great measure the same thing as I suggest, only that the man is not answerable to anybody if he gives a wrong opinion.

1985. *Chairman.*] Messrs. Penn and Messrs. Maudslay, and other engineers, are subject to compulsory inspection now with regard to boilers for passenger ships?—Yes, but the boilers are out of their hands when that inspection takes place; it is the owners who call upon us to make an inspection.

1986. There is no compulsory inspection before the boiler leaves their works?—No.

1987. Mr. *Laird.*] But if Messrs. Penn build a ship for the passenger trade, it has to go through an inspection by the Board of Trade before the ship can go to sea?—Yes.

1988. Mr. *Armitstead.*] What is the reason that there are fewer explosions in marine boilers than there are in land boilers?—I do not know the proportion; in fact, I do not know the number of marine boilers, and so I am unable to answer that question; but I may say that we have had very few explosions with marine boilers.

1989. Can you give the Committee any reason for the difference in the proportion of explosions?—I think that marine boilers are better looked after than land boilers, as a rule.

1990. Mr. *Pim.*] Do you think that the inspection of marine boilers has any effect in preventing explosions?—In some measure it has, no doubt, but I think that the great point is that they employ more competent men to work them.

1991. What amount of pressure is usual for a marine boiler?—We work as high as 100 lbs.

1992. That is with as high a pressure as that used in boilers on land, is it not?—Yes.

1993. You are not in favour of compulsory inspection, as I understand you?—No, I am not.

1994. You think that the system of voluntary inspection has not been properly tried?—Just so.

1995. How do you propose to try it more efficiently?—By appointing a Government officer instead of associations.

1996. You think that the Government officer would be more likely to be sought for voluntarily?—Yes, I think the users of boilers would look upon him as a man of independent authority, whereas the public look upon these associations more in the light of a commercial speculation, though in some cases they are not so.

1997. How often do you think that boilers should be inspected?—They are inspected every

Mr. *Galloway.*

18 July 1870.

six months, but they might go for a longer period than that.

1998. Do you propose under your system that the boiler users should pay for the inspection?—Yes, they should pay for the inspection.

1999. And, in fact, that there should be no cost to you?—No, it would be a self-paying department, and the fees should pay for the whole working of the establishment.

2000. You said something with regard to the want of care on the part of the attendants; am I right in supposing that you think the attendants ought to undergo some examination, and receive certificates?—Yes.

2001. In a similar manner to that in which the mates of vessels receive their certificates?—Yes, we examine all marine engineers now of the first and second class, and grant certificates.

2002. You think that the kind of certificates now granted to marine engineers ought to be required of the boiler attendants on land?—Yes; I should go to the extent of saying that a boiler attendant should be a sober and intelligent man, and fit for the duty.

2003. But you would not make it compulsory on the owner of the boiler to have a certified attendant?—Yes, I would.

2004. You think, both with regard to the inspector and to the attendant, that the boiler user would be induced to apply to the Government inspector, by feeling that he would be less severely dealt with in case of accident?—Yes; he would think that he would save his pocket, should an accident occur, if he had a certified boiler and a certified attendant.

2005. But every boiler user knows that in case of accident it would be a very great cost to him, even though no damage were done to anyone else?—Yes, but a certified engine-driver would be in this position; if an accident was occasioned through his carelessness, his certificate would be withdrawn, and he would not be able to obtain further employment in that capacity.

2006. *Chairman.*] You have stated that there have been only seven explosions of steam boilers in 20 years?—That is all, I think.

2007. But you are not sure?—No.

2008. How many deaths were caused by those explosions; do you know?—No, I cannot say.

2009. Colonel *Gray.*] You said that you thought one reason for the few explosions of marine boilers was the great competency of the men who attend to them?—Yes.

2010. And you said also that the Board of Trade granted certificates of competency to those engineers?—Yes.

2011. Can you inform the Committee what proportion of engineers take out those certificates?—All of them take out certificates, whether they are in passenger ships or not.

2012. Is it compulsory?—Yes.

2013. Mr. *Laird.*] That applies to captains, and mates also, does it not?—Yes.

2014. Mr. *Lancaster.*] Is there any limitation with regard to the horse power?—Yes; a seagoing ship, with a boiler of about 100-horse power, must carry two certificated engineers; but below that, one certificated engineer.

2015. At what point, if any, does the necessity cease?—It ceases nowhere; they must all carry a certificated engineer.

2016. Must a 60-horse power engine, for instance, have a certificated engineer?—Yes, it does not matter about the horse power.

2017. Mr. *Hermon.*] You have stated that you are in favour of a compulsory system of examination of stokers and attendants of boilers?—Yes, that would go a great way to prevent a great number of accidents.

2018. You approve of the compulsory examination of the people who mind those boilers, but you do not approve of the compulsory examination of the boilers themselves?—No, I object to that, because I think it is an undue interference with trade; if you employed a certificated engine-driver, and made that compulsory, he would then draw attention to the state of the boiler; and if anything happened to it, and it could be shown that the engine-driver had drawn attention to it, it would go very hard with the owner; he would run the risk of a verdict of manslaughter.

2019. Do the Board of Trade refuse to give certificates to men who apply for them, if they are incompetent?—Yes; I am myself the chief examiner, and perhaps 5 or 6 per cent. of them fail in the examination, but we give them a chance of coming up again, perhaps, in five or six months.

2020. *Chairman.*] Have you any further observations to make to the Committee?—No.

Mr. William Jackson Rideout, called in; and Examined.

Mr. *Rideout.*

2021. You are extensively engaged as a Paper Maker?—Yes.

2022. And also as a cotton spinner?—I have got a mill, but it is not at work now.

2023. You are proprietor of the Farnworth Paper Mill, near Bolton, in Lancashire, and the Standish Paper Mills, near Wigan?—Yes.

2024. Your cotton mills are at Prestolee?—Yes.

2025. You have a number of boilers in those different establishments?—I have 21.

2026. Are they large ones?—They vary from 30 feet to 36 feet in length, and from 6 feet 9 inches to 7 feet 9 inches in diameter.

2027. You have paid considerable attention to the management of boilers?—Yes, for upwards of 20 years I had them under my own personal control, and I felt the responsibility so great that I have given the subject a great deal of consideration.

2028. Have you also taken care to have competent men in charge of the boilers?—The most competent men we could get, but there is a great difficulty in obtaining competent men.

2029. Have you ever had an explosion?—Never, further than this, that I once saw one of the flues collapse; the boiler makers had been at the boiler and repaired it, and had left, and had said it was all right; they put the fire in, and I went to see it, and I got there just too late. I saw the fire rush out into the river.

2030. That is only one explosion, if it must be called so, in how many years?—In about 30 years.

2031. To what system of management do you attribute this immunity from such frightful catastrophes as we often hear of?—Constant examination,

examination, and making the several managers responsible.

2032. You take care that your boilers are all properly provided with safety valves and water gauges?—There are two safety valves to each boiler, and two glass water gauges to each boiler, and on the steam mains we have a large safety valve, and all those safety valves are weighted valves, free from leverage as far as possible. We have a pressure gauge on each boiler.

2033. Do you adopt fusible plugs?—We had fusible plugs to all the large boilers, but we have now only six, because an incrustation formed on the tops of the plugs and of course they were inoperative, so we took them out. We let them wear out, and we have not replaced them. At Prestolee we have six, but they would have been taken out if the mill had been working.

2034. Do you think that boiler explosions, as a rule, could be prevented by proper inspection?—Yes, I would have all boilers made under inspection in the first instance, beginning in the boiler-maker's yard. I have seen a boiler where a plate has been split up in the longitudinal strain of the boiler, and where from using the drift the whole plate has been split up for a foot in length.

2035. Many explosions occur from corrosion after the boilers have been at work for a length of time?—No doubt.

2036. Is it easy to detect that, or is it impossible to detect that?—We have a little machine that we use whenever we are in doubt with regard to the thickness of the plate. We use the hammer where we suspect the plate is thin, and if we find it so we drill a hole the size of a rivet hole; we then take a gauge and measure the plate to the 20th part of an inch.

2037. Is that such a gauge as you hold in your hand?—This is the gauge we use to all the boilers (*producing a gauge*).

2038. That gauge will enable you to ascertain exactly the thickness of a plate?—Yes, to the 20th part of an inch.

2039. Having drilled a hole you insert the gauge, and by moving the slide on the gauge you get at the thickness of the plate exactly?—Yes.

2040. Do you use the water pressure test?—We always use it in the first instance, but not to double the extent of the working pressure. I do not see the necessity for that.

2041. Why not?—I think that is putting the boiler to an unnecessary strain. If it will stand the pressure we are going to work at, that is enough: if it lifts the safety valve, I know there will be no greater pressure, and why should I go beyond that?

2042. Mr. *Cawley.*] What would you consider the proper ultimate strength of a boiler that you were going to work at, say, 50 lbs.?—It depends on the diameter of the boiler.

2043. But what should you consider ought to be the bursting power of that boiler? — Sir William Fairbairn's calculation is three times in excess of the working pressure; that is the datum we take. Our plates are 7-16ths of an inch in thickness, and in one set of boilers of the largest diameter they are half an inch thick, and the ends are 9-16ths of an inch thick.

2044. *Chairman.*] From the evidence which has been brought before this Committee, it is pretty clear that those who are careful, like yourself, do not need inspection; but we want some mode of inspection which shall go beyond and apply to the careless people who do not take the same pains?—Yes, no doubt.

2045. Have you any plan that you can recommend to the Committee for bringing the careless people into a similar system to that used by yourselves?—I would have a registration of every boiler; that is very easy, because the machinery is there in the factory inspectors, which is applicable to all factories that employ above a certain number of hands. Why should not the inspector, when he visits the premises, make a registration of the boilers. In the next place, I would have every stoker undergo an examination, and have a certificate just the same as the mate of a ship does, and if he was guilty of any misconduct I would have it endorsed on the back of his certificate. If he was convicted of drunkenness the magistrate should endorse that; if there was an inquest, the foreman of the jury should endorse it; and so men of good character would get the benefit of their certificates; and men of bad character could not be passed on from one place to another as they now are, to the great risk of life and property.

2046. Would you make it compulsory to have boilers inspected and certified?—I for myself would be very glad to have a certificate, but I am afraid that when I obtained such certificate I should remove the responsibility from my manager as between him and myself. At present he has no appeal from me, but if he obtained a certificate he would. I might require a more critical examination than an inspector would make, but my manager might put forward the certificate and say, "That was enough." If he obtained a certificate he might rely upon it, and it might make him less watchful. If we are to have an inspector, I should like him to be a thoroughly practical man, not a briefless barrister, but a man who has worked at the business; not a theorist nor an idealist. This is what I am afraid of; they ask the most absurd things, things you cannot comply with, because they often ask an impossibility.

2047. Have you any of your boilers insured?—None.

2048. Do you think that insurance has the effect of removing responsibility?—Yes, I think it is one great cause of explosions; because it is like insuring your house, the owner is not so careful; it relieves his mind from a certain feeling of responsibility; it is just like insuring a house from fire; a man who is not insured takes greater care than a man who is fully insured.

2049. You do not approve of insurance?—Not to more than three-fourths of the value; that is the rule with me; I insure no property to more than three-fourths its value, and then I share the responsibility with the assurers.

2050. You strongly object to removing the responsibility from the attendants or the owners?—I do.

2051. What is the longest time, of your own knowledge, that you have worked a boiler?—I took out some boilers that had been at work for upwards of 20 years, because I felt that it was time to renew them; that was in 1858 and 1859. As we could not take them out whole they were cut into pieces, and I was surprised to see many of the plates as good as when they were put in, and much of the rivetting was better than the ordinary rivetting of the present time.

2052. What pressure had those boilers been working

Mr. *Rideout.*

18 July 1870.

working at?—At the time we took them out, they were working at from 35 lbs. to 40 lbs.

2053. What diameter?—Six feet six inches.

2054. And what thickness of plate?—Three-eighths of an inch, originally; they had been made on the old principle, but they had hod the ends taken out, and two new flues put in.

2055. The outside plates were the original plates, then?—Yes.

2056. Mr. *Hermon.*] Were many of the plates very much deteriorated?—Very few indeed.

2057. *Chairman.*] Your water is very good indeed, I suppose?—Up to that period we had had very good water.

2058. Mr. *Hermon.*] Do you attach much importance to having two glass water gauges, both being acted upon by the water in a similar manner?—Sometimes one glass will burst, or it fractures from some cause or other, and during the time you are replacing it the other gauge shows you the height of the water in the boiler.

2059. You have stated that in your experience you find it quite possible to gauge the thickness of a boiler plate, in order to ascertain whether it is deteriorated by corrosion, or any other cause?—I do.

2060. You have done it?—Yes; not with my own hands, but it has been done by my managers.

2061. A previous witness stated that it was impossible; but you not only state that it is possible, but that you have done it yourself?—Yes; I have had the reports of the thickness of plates, ascertained in that way and brought to me frequently.

2062. You state that you would have all stokers and boiler attendants under certificates; who would you say should be the party authorised to grant the certificates?—In towns I would let the town clerks do it; I would have a board constructed precisely the same as the Maritime Board for the examination of captains and mates.

2063. Would you recommend that that board should be a board composed of steam users?—I think the steam users are so interested in arriving at correct results, that they are the most practical men; and therefore that board, in my opinion, should be composed of steam users.

2064. Mr. *Laird.*] How do you examine a boiler imbedded in brickwork?—If it is in the flue, we have a space of four and a half inches on each side of the flue; therefore it is not difficult to examine the sides or the top, because you can remove a brick or two: there are a few places, for instance, where it rests on the chair that you you cannot examine it, but you may judge from analogy; if the plate on one side the chair is right, you may assume that it is right on the chair.

2065. A question was asked the last witness about the examination of boilers, and he said that they could not get at them on board ships; do you know how that is?—I have had no experience of ships' boilers.

2066. You know that they are buried close down to the bottom, do you not?—Yes, I know that; but I have never had anything to do with them.

2067. Suppose a boiler was embedded in that way, it would be impossible to examine it, would it not?—In that case I would drill a hole, as I have already described; and I would then with an auger cut away a little beyond it. All that you want to do is to get beyond the burr made by the drilling, and that does not extend more than an eighth of an inch.

2068. With regard to firemen and engineers, you would have them all examined as the Board of Trade now examine engineers, masters, and mates of vessels?—Yes; I think we should save many explosions if our firemen, engineers, and stokers were examined.

2069. That is to say, you think no one should be allowed to work an engine or boiler without having a certificate?—Just so.

2070. With regard to boilers, you would not make it compulsory on the owner to have his boiler examined and a certificate given to him by any public officer?—No; I would not make it compulsory. Where the owner feels his responsibility he takes far greater interest in it than any Government inspector would.

2071. It has been proved before the Committee that many owners are most careful in having their boilers examined by the Manchester Steam Users Association, and other bodies?—Yes, no doubt.

2072. But they are only a very few among a great number of boiler users, I suppose?—I have refused to join that association because I do not see any practical good in it. It merely brings in a third person whose judgment is not, perhaps, very much superior to that of those who are working the boilers, and who has no interest whatever afterwards in the vitality of the boiler beyond his character of an inspector.

2073. Colonel *Gray.*] You are not in favour of the compulsory inspection of boilers?—No, I am not in favour of compulsory inspection.

2074. But I think you have stated that you would be in favour of all boilers being registered?—Yes.

2075. What is the registration for unless it is with a view to inspection?—We have the tonnage of vessels and many other statistics, and I would register boilers also for the purpose of statistics; I would register not only the boilers but engines, so that we should know exactly what power we were working.

2076. It is not with the view of inspection that you would register them?—No.

2077. But merely as a matter of statistics?—Merely as a matter of statistics, the machinery being already provided for it.

2078. You have stated that it might be done by the factory inspectors?—Yes.

2079. Of course in the mining districts there are no factory inspectors?—No, but mines are already inspected; and I say, let the boilers be registered in a similar way, under the Mines Inspection Bill.

2080. In addition to that, you say that you would have the boilers made under inspection?—Yes, certainly; I think that every boiler should be inspected during its construction and stamped afterwards.

2081. Do you not think that that would be a great interference with the boiler makers?—There is just the same difficulty here that there is with the boiler user; for instance, there is one boiler maker who requires no control and inspection, and there are other boiler makers who make boilers at 15 or 20 per cent. less than common sense tells us they can be produced at, and those men require to be placed under inspection, first with regard to the quality of the plates, and

and secondly with regard to proper workmanship. Using the drift to make the rivet fit tears a great many plates. I have had my attention called to this even after repairs have been made; the workmen have been negligent and the plate has come out; in one or two instances the foreman has said that the plate was cracked.

2082. How would you have your inspectors appointed?—That is a thing I have not thought over, but what I want is a thorough practical man as inspector; not to have some *protégé* of the Government (who has never been able to get his living in his own profession) forced upon us, and for us to know that his inspection is useless; it is that which is galling to us. We should be glad to have competent inspection.

2083. But there are a great many people in this country who would not like to pay for inspection under any circumstances, are there not?—No doubt. I once saw premises on fire in three places; there were the dead and wounded lying there, and the boiler was lifted from its seat.

2084. How many lives were lost in that case?—There were three or four lives lost, I think, but I do not recollect; I was called to the fire within a quarter of an hour after it broke out; I had heard the noise of the explosion, and took two fire engines there; we got the dead and wounded out first, and then put the fire out.

2085. You do not seem to think that steam users associations and insurance companies are of much value?—I attach no value to them myself.

2086. Not to either of them?—I may state in proof of this, that though we have been often invited to join them we have never done so.

2087. *Chairman.*] You thought that your own inspection was sufficient?—I thought that our own inspection was sufficient, and superior to what a stranger's would be.

2088. Colonel *Gray.*] You prefer it being compulsory on the engineers and stokers to have certificates, to having any compulsion for the inspection of boilers?—I think we should have fewer explosions if the engineers and stokers underwent an examination, and were duly certificated, rather than that we should have an inspection.

2089. Mr. *Cawley.*] Previous witnesses have stated that the causes of explosions might be divided into three classes, namely, original defects in the construction of the boiler; defects consequent on using or misusing the boiler; and accidents consequent on the negligence of the men in charge; I gather that your evidence is, that the first and the last causes you would place under a certain compulsion, that is to say, you would have a compulsory examination, and a certificate of the fitness of the boiler before it was ever used?—I would.

2090. And you would have a compulsory examination with regard to the competency of the men who were to work it?—Yes.

2091. But you at present object to the compulsory inspection of the boiler during its use, so as to detect any defects which had originated during its use?—If I could see that an examination such as you speak of, would detect defects in a boiler, I would accept it with pleasure; but let a man come down to our works, with 21 boilers going; I want to know whether he is as likely to detect a weak place in a boiler as the man who is daily at work there.

2092. Am I right in supposing that you think that if the man in charge were a competent and certificated man he would be in fact a sufficient inspector for the defects which would arise from the use of the boiler?—Just so; because he is the first man to suffer in case of accident. What I want is to have, is responsibility. The difficulty with the inspector is, when he has to come to your premises to inspect the boilers, he has to stop the works; with us it would be immaterial, because we have always one boiler off, but he could not inspect the boilers on successive days. If we take A, B, C, and D, and he began with A, B would not be cool enough the next day for him to examine it, and in some cases the flues are so arranged that he could not do it without all the boilers being stopped, and that would be a far more serious loss to the manufacturer than anything else.

2093. But is it not necessary, in your opinion, that somebody should frequently make such an examination?—I think it is; but no doubt the best report comes from those who clean the flues.

2094. Then you think it is necessary that at some period of the year the boiler should be cooled for that purpose?—Yes.

2095. That being so, would it be possible for any given inspector, appointed for that purpose, to make that inspection during that time?—We stop working on Good Friday, and consequently on Saturday the boilers cool, and an inspection is made by ourselves. In the Whitsun week an inspection is made, and we take that opportunity of cleaning out all the flues, and making a thorough inspection of all the brickwork. If you called in an outside inspector to inspect the whole of those boilers, Whitsuntide, Easter, and Good Friday are, probably, the only periods at which you could have an inspection.

2096. The objection on your part is, that there is a practical difficulty?—Yes, there is a practical difficulty in most concerns, not in all.

2097. In the great majority of cases, without interfering with the working of the mills or works, that inspection could only be done at times of general holidays, you think?—Yes, certainly.

2098. And, therefore, it could not be done by one or two individuals?—Just so.

2099. But with regard to the first inspection, there would be no difficulty in carrying out that inspection as far as the setting of the boiler, would there?—Certainly not. I would have every boiler inspected during its construction, and I would have it inspected during its erection, because I believe that many explosions take place from defective erection. At Prestolee, we had one or two very heavy floods that got into the flues and filled them with water. We took the first opportunity of lifting all those boilers, so that such a mishap can never occur again, because if the structure below the boiler is not perfectly dry, you will have very rapid oxidation indeed.

2100. With regard to the inspectors who should inspect the boilers in the making, and the fittings before they are used, you have not considered the best mode of appointing them?—No.

2101. All you desire is, that they should really be competent men, and not fancy men?—Just so, that is what I want. We have had too many dilettanti men, and it is the ruin of Government inspection.

2102. And you insist on certified competency in

Mr. *Rideout.*
18 July 1870.

in the man who is to work the engine and boilers?—Yes; we have nine boilers all under the control of one man; it is not necessary that his deputies should be so competent or certified.

2103. But you think that there should be one man in charge of the boilers who should have a certificate of competency?—Yes, I think he should be directly responsible to his employer, and to no one else, for the working of the boilers. Suppose a man obtains a certificate, and you say to him, "You are neglecting your duty," he says, "I am very sorry, but I have a Government certificate."

2104. But that certificate of the boiler would only relate to the boiler itself, and it could only relate to the state the boiler was in when the certificate was granted, is not that so?—First of all there is the certificate to the man, and next there is the inspection of the boiler, and a certificate given with respect to the suitability of such boiler for the pressure at which it is working. Suppose I go to a man and say, "I am not satisfied with this;" and he says, "When the inspector was here he passed it," then he has an answer ready for me as his employer.

2105. But supposing that a boiler was certified to you as a boiler that was capable of working at 50 lbs. pressure, no doubt that would be strong evidence in your favour and not in the man's favour in case an explosion happened; but it could not be any answer for your man who was your servant, and who was supposed to do your bidding, if you had told him to work at only 40 lbs. pressure?—You forget that our workmen are not sufficiently educated to draw that distinction; that would be the workman's reply to you. You must deal with men just as you find them; they are not logical.

2106. But when you give an order to your man, do you not insist upon his obeying it?—Yes, or I should discharge him.

2107. If you told him to work at 40 lb. pressure, and he worked at a pressure of 45 lbs., you would send him about his business, I suppose?—Yes, I would send him about his business, and I would next have the pressure reduced.

2108. The certificate would not protect him, would it?—No; and I should endorse it with his misconduct, for his negligence of my orders might cause me an explosion, and do me several thousands of pounds damage.

2109. Suppose a boiler thoroughly inspected before it is put up and then worked by a competent man, do you think we should have many explosions?—No, certainly not.

2110. Mr. *Lancaster.*] You have had a boiler working for 20 years, you say?—Yes.

2111. And at the end of that time it was in good condition?—Yes; I saw the plates when they were cut out.

2112. What was done with them?—At first I contemplated making them into a pan for boiling rags; afterwards I sold them.

2113. What pressure was that boiler working at?—It was working at a pressure of 30 to 35 lbs. when we took it out.

2114. Now you have stated that you would have certificated men in charge of all boilers?—Yes, I would.

2115. Now, if in a man's judgment 30 lbs. pressure was too much to work at, and the owner insisted on working at 35 lbs. pressure, where would the responsibility rest, in your judgment?—Certainly with the owner.

2116. Do you think that men of that class would have the moral courage to tell their employers that the boiler was carrying 5 lbs. too much?—Yes, I think he would; it is the ignorant man that conceals things; the intelligent man tells you as much for your sake as for his own.

2117. You think that that class of men might be trusted to say what was a proper pressure for a boiler to work at?—Certainly not; that is to be done by a certificate in the first instance.

2118. But afterwards, supposing the boiler became weaker, do you think he might?—Yes. If any foreman or person in charge of a boiler came to any of my managers, or to myself and said, "I think this pressure is too great," I should send for a boiler maker of reputation to examine the boiler, and I would fortify myself with his report; and if he said it was working at too great a pressure, I should ask him at what pressure it was perfectly safe to work at.

2119. I understood from your answer to one of the honourable Members that the boiler having been certified when first set to work, after that period the man in charge should be the sole inspector, and should determine how much the boiler had been deteriorated, or in what state the boiler was?—No, hardly that. The manager is the first person responsible to me, and the foreman is the one who reports to the manager. But, of course, the first inquiry would naturally arise with the manager, and he would go himself and examine the boiler. Such managers as I have are men who might be trusted in that capacity; they are thorough practical men, and know far better than most inspectors would; but if there is a doubt I would send for the inspector voluntarily. I should send for an inspector by sending to the most competent boiler maker I know of.

2120. Would you insist on the manager having a certificate?—I do not think that is necessary, because if he is not competent to take care of the boilers he is not fit to have the management of the works.

2121. In that case you would send for the boiler maker?—Yes, but if another man preferred a government inspector let him have a government inspector, only let it be voluntary.

2122. You would have the boiler inspected previous to its being set to work?—Yes.

2123. That would be by some person appointed by some authority or other, would it not;—Yes.

2124. Do you see any difficulty in corporations or magistrates in quarter sessions appointing such men over their respective districts?—I do not think that the magistrates are competent men for that purpose; by all means let one or two magistrates form a portion of the board, let it be duly constituted as this Committee is constituted, and let them, through the chairman, or through the town clerk, or the clerk at quarter sessions, give the certificates.

2125. I am speaking now of the persons appointed to inspect, do you see any difficulty in those authorities appointing competent men to fill those offices?—No, certainly not.

2126. Either the corporation or the magistrates in quarter sessions, the same as they appoint bridge masters?—I would prefer having it among the steam users, but as many owners of boilers are magistrates, I think that we might safely leave it in the hands of the magistrates.

2127. I speak of a corporation in its capacity as a corporation?

a corporation?—I have no great faith in borough magistrates as a body.

2128. Mr. *Pim.*] You said that so many boiler owners were magistrates, that the inspectors might be fairly appointed by the magistrates; that would apply to Lancashire and other parts of England; but there are other places where that is not the case, are there not?—Yes, of course. I gave that as a general answer with regard to the manufacturing districts.

2129. You stated that you did not value, for instance, the inspection of the Manchester Steam Users Association; but the question I ask is this, is there any mode in your judgment by which you could obtain more competent practical men than are likely to be appointed by, say, the Manchester Steam Users Association?—If a strange inspector comes to examine the boiler he is not so likely to find out the weak place as the daily user of that boiler; that is to say, the man who is constantly using the boiler and who is familiar with it, is a better inspector than a man who makes only a periodical or casual visit.

2130. Yes, I understand that; but I was referring to the inspection of the boiler at the time of its being made?—I should say that the inspector of the Manchester Steam Users Association is as competent to inspect a boiler as any man; I am not quite sure whether the present inspector is a practical engineer, or not, but one of their early inspectors I know was a practical engineer.

2131. Judging from the ordinary class of persons that receive appointments under Government, do you think that an inspector appointed by the Government would be as likely to be a good practical man as a man appointed by a committee of steam users?—I think not; I should prefer a man appointed by a committee of steam users.

2132. You said that the caretaker of the boiler should have a certificate of competency, did you not?—Yes.

2133. In a case in which the manager of the works was thoroughly competent, would you consider it necessary that he should have under him a man who had a certificate of competency; in fact, if there was one man who was thoroughly competent upon your works, and who had a certificate, would you consider that enough, or would you require that the man directly in charge of the engine should have a certificate of competency?—In small works, where you use boilers of under 20-horse power, I would be content with one person having a certificate; but I think we have 23 steam engines, and those are divided under three managers, and those three managers are all as familiar with steam engines as any practical engineer, and thoroughly competent to say what repair is necessary, and to direct those repairs; in fact, the repairs are very often directed by them, and done on our own premises, by our own mechanics; and so again with the fittings of our boilers; it is only when the boiler wants serious repairs that we call in the service of the boiler makers.

2134. But wherever a boiler is employed there should be some man who should have a certificate of competency, you say?—Yes, all boilers above 20-horse power. Take those small engines that you find on farms, I do not think all the explosions are recorded, but you often hear of explosions of agricultural engines, because they are managed by incompetent people.

2135. Then would you compel them to have certificates?—I do not think that you can reach those small people.

2136. But take those of a higher class, how would you reach them?—The men should not be employed as stokers without certificates, just as you cannot employ a mate on board a ship without a certificate.

2137. Would you impose a fine?—Yes, you may impose whatever penalties you please; it would be a misdemeanour, and it should come before the magistrates; on anyone giving information that So-and-so was employing a man without a certificate, you could bring him before a magistrate and fine him.

2138. Mr. *Hermon.*] I understand you distinctly to state that should inspection become compulsory by law, you would very much prefer the inspectors being chosen by a body of steam users than being appointed by the Government?—Certainly; I have no hesitation in saying that. They may be responsible to the Government afterwards, but in every case the man appointed should be a practical man.

2139. Colonel *Gray.*] With regard to the certificate to the engineer, do you not think that the engineer who obtained a certificate would try to obtain higher wages?—Yes, and I think it is a very good premium of insurance.

2140. Yes, to people on a large scale like yourself; but take small users, with only one boiler, it might be a heavy tax on them, might it not?—I think there is more risk of an explosion where there is only one boiler than where there is a great number; generally you have an engineer and a stoker, and they act independently of each other; something occurs in the manufactory and the engine is stopped without a moment's notice to the stoker, and the first intimation he gets is steam blowing away through the safety valve; he opens the door wide, the engine starts again, and there is an altercation between the stoker and the engineer, because they have not steam enough; he will serve him out the next time, and so it goes on. But where you have four or five, or more boilers together, it does not affect them if one engine is shut down. And then again, you have not that variation in the pressure; 2 lbs. or 3 lbs. is a large variation in large manufactories, but in small manufactories you may have 6 lbs. or 7 lbs. variation.

2141. You do not think that would be any objection?—No, but I think the man should be certificated; we have a great difficulty in getting sober men, but if we had certificates I would bring the man up before a magistrate and endorse it if he was drunk, and by that means you would check drunkenness to a certain extent, and give a status to steady sober men.

2142. Would there be any difficulty in getting a sufficient number of respectable men, do you think?—I have no doubt it would be a troublesome thing at first, but I would give a reasonable time, in order that the men should learn. If I may be pardoned for an illustration, in yachting, nearly every yachtsman sees that he has a certified captain, but he is not so careful to get a certified mate, yet he picks out a good mate, and, if he can, he encourages that mate to study and obtain a certificate, so that he might become a captain. I had the misfortune to get a drunken captain, and I brought him before the Board of Trade; they suspended his certificate for three months, and he has never been able to

Mr. *Rideout.*

13 July 1870.

get another situation, because on the back of the certificate is this, that he has been suspended for drunkenness and improper conduct, and the consequence is, that no one will employ him, except in a subordinate capacity; so I would deal with these men, and the consequence would be, that good men would obtain good situations, and bad men would be weeded out.

2143. In that case it would be better for that captain to try and get a subordinate situation without showing his certificate, would it not?—He is asked if he has got a certificate.

2144. Mr. *Lancaster.*] Supposing the case of a dairy farm, with a 1-horse steam engine, would you insist on the person in charge of it having a certificate?—No; I would exempt all those small concerns under 20-horse power; it would be unreasonable to ask for it; I should not like to do anything Utopian.

2145. Mr. *Cawley.*] Do you not think there is an enormous amount of mischief done by those agricultural engines?—Yes; some eight or nine cases have come under my notice.

2146. Should you not rather suspect that there is a special necessity for dealing with that small class of boilers, because the employers themselves are often ignorant of their nature?—Certainly; but I can only call to mind two cases where there has been loss of life; at present I do not think that they are ripe for legislation. Look, for example, at the little pumping engines that contractors are using; they are always coming to grief, for want of water or nobody attending to them, but there is no record of it, and it is scarcely known beyond the attendants.

2147. Mr. *Pim.*] Take the case of a district in which there are a very few boilers; if a man discharged his stoker, and was bound to take a certificated stoker, he would be, to some extent, under the power of the stoker, would he not?—Yes, for the time being; I should not subject a practised man to examinations, because that is like asking you if you can read. I would give him a certificate of competency if he has been in charge of a manufactory for a certain number of years, but if he is only about 22 years of age, there is no hardship in imposing upon him an examination.

2148. But practically, in many of those cases may we not say the manager is perfectly competent?—I would assume that.

2149. The stoker misbehaves himself, and is turned away, and they take in a new man who has never worked a boiler before, and he is the only man of his class; would not that be a difficulty?—What should I care if all the stokers in my employ were turned out; I should be on the spot, and I should get all the men I could; the manager is supposed to be competent to take charge of his boilers in all cases if the power is above 20 horse.

2150. In that case you would consider the manager's competency to be sufficient?—Certainly; because he would be liable for the consequences of any accident.

2151. *Chairman.*] Have you any further observations which you wish to make to the Committee?—No.

Thursday, 21*st July* 1870.

MEMBERS PRESENT:

Sir Thomas Bazley.
Mr. Birley.
Mr. Cawley.
Mr. Joshua Fielden.
Colonel Gray.
Mr. Hermon.
Mr. Hick.
Mr. Laird.
Mr. Lancaster.
Mr. Pim.
Mr. Platt.
Dr. Lyon Playfair.
Mr. Tipping.

JOHN HICK, Esq., in the Chair.

Mr. Charles Frederick Beyer, called in; and Examined.

Mr. *C. F. Beyer.*
21 July 1870.

2152. *Chairman.*] You are one of the firm of Beyer, Peacock & Company, Locomotive Engine Makers, Manchester?—Yes.

2153. And you are a member of the committee of the Manchester Steam Users' Association?—I am.

2154. You are, of course, aware of the constant occurrence of steam boiler explosions, and the consequent loss of life?—Yes.

2155. Do you think that careful periodical inspection would tend very much to prevent the majority of those explosions?—I think it would.

2156. Are you of opinion that all boilers ought to be placed under inspection?—Yes; I think that all stationary boilers should be inspected.

2157. Would you include locomotive boilers?—I think it would not be wise to do that at present.

2158. Why would not that, in your opinion, be wise at present?—The principal railway companies have got all the means of inspecting boilers, and I think it is their interest to look after them.

2159. You think they have careful men in charge of their engines (which include boilers) usually?—The locomotive superintendent or mechanical engineer of a railway is supposed to be well acquainted with boilers and their construction, or at least ought to be.

2160. Yes, but I mean the man in charge; and if he suspects or knows that anything is wrong with his engine, when it is brought into the shed or station for the night, he would report any suspected damage or defect to his superior?—I believe that is the present practice on all railways.

2161. Of course, any repairs required would be done?—Yes; any repairs required would be done, and done efficiently.

2162. Your opinion is that they have such a careful surveillance at present, that any other inspection is unnecessary?—Yes; I think there is no need for it.

2163. Have you stationary boilers in your own establishment?—We have.

2164. And those boilers are carefully inspected by yourselves, I suppose?—Yes.

2165. Have you also had them inspected by any independent party?—Yes; they are under the inspection of the association for preventing boiler explosions, in Manchester; the Steam Users' Association.

2166. Although you have had competent inspectors, and although you are an engineering firm, you still deem it necessary to have those boilers placed under an independent inspection?—I think we are quite competent to do it, but if somebody helps us it is a comfort to me; I know it is well done. Every possible care should be taken of steam boilers.

2167. Do you think that this independent inspection removes in any degree the responsibility from yourselves?—No; I do not consider it so; it is as much my duty as it was before, that we should look after the boilers also.

2168. Knowing the importance of periodical inspection, you not only inspect your boilers yourselves, but you take the additional care of getting this independent inspection?—We do.

2169. As to any independent inspection beyond that of the parties themselves, do you consider that it should be compulsory?—Yes; I think so.

2170. By whom should that duty be carried out, do you think?—I think it should be carried out by those that own the boilers.

2171. But independently of that inspection by the owner of the boiler, do you think it should be undertaken by any governmental authority?—Certainly not by Government; by the owners of the boilers. I mean that it should be done by private inspection.

2172. Mr. *Laird.*] You mean such an inspection as that which is made by the Manchester Steam Users' Association?—Yes, just so.

2173. *Chairman.*] Do you think that the extension of that kind of association all over the country would tend to do away with the great majority of the explosions?—I am satisfied that it would.

2174. How would you propose that that extension should be carried out?—As far as I am able to judge of it, I would establish a number of associations all over the country, similar to the one that we have in Manchester.

2175. Would you propose to have a central board?—Yes, I think it needs some central board. The central board would enable those associations to bring all their information together, and comparing it. We should gain valuable in-

Mr. *C. F. Beyer.*

21 July 1870.

formation for our guidance for constructing new boilers.

2176. How should that central board be appointed, in your opinion?—I think it ought to be appointed by those district associations; perhaps that each district or association should send a member, or two members, to the general board.

2177. And the general board, I presume, should issue orders to the district boards?—It should approve of the orders, and the orders should be issued in their name.

2178. Do you think that they should appoint inspectors under them?—I think it is immaterial who appoints the inspectors; but I think the district associations should do it.

2179. Do you think that the effect of such a board would be the means of affording and extending practical information on the subject of steam boilers generally, and also on the use of steam?—I am of opinion that much valuable information would be collected in that way, and that it would be for the benefit of those that use steam boilers, and for that of the country at large.

2180. And the dissemination of such information would be, of course, very valuable, would it not?—Yes, I think so.

2181. Sir *T. Bazley.*] Does that answer refer to the sectional board or to the central board?—The central board would be for the purpose of disseminating it to the public; the local boards would send in their reports to the central board, and the central board should communicate with the public at large.

2182. *Chairman.*] So that the central board would be the nucleus of all this information?—Yes, I think we need some centre, for the purpose of being the nucleus of such information.

2183. Are the Committee to understand that your suggestion is, that this board should be appointed by members chosen from each district?—Yes; suppose, for the sake of argument, there was one of those associations formed for Lancashire, and one for Yorkshire, and so on, each separate association would send a member, and thus the central board would be constituted.

2184. In fact, so satisfied are you with the working of the Steam Users' Association in Manchester, that you would try as far as possible to extend its operations?—The Manchester Steam Users' Association has worked so well, and I believe so usefully, that I can think of nothing better than the extension of a similar arrangement.

2185. Mr. *Hermon.*] You are of opinion that the district board should be chosen by the steam users themselves, are you not?—Yes.

2186. And you are of opinion that each district board should delegate one of its number to compose a part of the central board?—Yes, that is it.

2187. You are not in favour of any Government interference in the matter, are you?—None at all.

2188. Colonel *Gray.*] What is your objection to Government interference?—I think the best management is that of private individuals. I think the Government has quite enough to do, and the less Government interferes with manufacturers the better.

2189. Only you say that you think there should be a central board, to be composed of members from the different districts?—Yes.

2190. Would it not be necessary to have some directing head to it, or do you think they would manage themselves?—Yes, I think they would. The association in Manchester has managed its affairs now for a considerable number of years, and so far it has done very well; and why should it not do if it was made more general?

2191. But you are quite aware, are you not, that a very small proportion of the boilers are under the inspection of that association?—I suppose a great many are not insured, because some people like to save money, and do not like to be interfered with; and I believe that those who know the least about boilers are the most indifferent.

2192. You are quite ready to admit that a systematic inspection of boilers would contribute very much to lessen the number of explosions, are you not?—Yes.

2193. Then, inasmuch as there are very few boilers enrolled now in proportion to the whole, is it not necessary in some way to force people to do it?—There should be a law by which everyone should be obliged to place his boiler under inspection; I think it needs something of that kind, and I believe you will have to make a law of that sort in order to meet the evil.

2194. Then do you not think it would be desirable to have some order from the Board of Trade or some Government department in order to do that?—The Government will have to say whether they shall all be under inspection; but all the rest of the work can be done by private associations.

2195. You think that it would be desirable to compel everyone to register his boilers, do you not?—Yes, it would be very desirable.

2196. You have less experience among stationary boilers than among locomotive boilers, I presume?—Yes; my experience in locomotive boilers is extensive.

2197. The Committee have been informed that it is very expensive to inspect properly a locomotive boiler?—It depends on how you do it.

2198. But take a thorough inspection of a locomotive boiler, for instance, is not that very expensive?—A locomotive boiler is rather a peculiar boiler; there is something in the inside of a locomotive boiler which prevents you looking into it at any time you like; you must remove it, and therefore it is very expensive.

2199. Those inspections could not be carried out with regard to locomotive boilers, in the same way as stationary boilers, could they?—No, they could not.

2200. Would you propose to have locomotive boilers inspected?—I think there is no need for it; in practice, every locomotive boiler that is made, whether it is made by a private firm, or, I believe, by the railway company, is tested. All locomotive boilers are more or less similar in construction; that is to say, there is not the same variety of boilers there is in stationary boilers, consequently the locomotive boiler is much better understood. Railway companies know whether a locomotive boiler is likely to fail according to its construction, and other circumstances.

2201. You do not think that there is the same necessity for inspecting periodically locomotive boilers, as there is for inspecting other boilers; the locomotive boilers being better looked after by the companies themselves?—Yes, I think they are in much better hands than stationary boilers.

2202. Mr. *Cawley.*] After all you would give compulsory

compulsory inspection, would you not?—Yes, without that I do not see how you can do it.

2203. In fact, you would compel the inspection of every boiler?—Yes.

2204. That is to say, of course, because the great majority do not voluntarily place themselves under inspection?—Yes, I think so.

2205. And having got to that point you would have the inspectors appointed by the owners of the boilers?—Yes.

2206. With respect to the majority who in practice do not willingly adopt the inspection; would you leave them to decide on the kind of inspection that they would have?—Do you mean the boiler owner or the society?

2207. An association is a voluntary combination of persons; but we are beginning now with this proposition, that everyone is to be compelled to have this boiler inspected?—Yes.

2208. My next question is with regard to those parties who are now to be compelled to come together, and have their boilers inspected; would you leave them to decide on the kind of inspection that they would have?—No, that must be settled by the association.

2209. But what association is to do it?—The association, or a number of men appointed by the boiler owners to form a court to manage the inspection, assisted by engineers and others.

2210. Then it comes back to this, that the boiler owners who are at present not willing to have their boilers inspected, are to elect the board?—Yes.

2211. Would you entrust that board with the entire regulation of the kind of inspection they would have?—Yes, I think so.

2212. You think that although those parties would not voluntarily put themselves under competent inspection, they would elect a board that would carry out a competent inspection?—I think you must look at it from another point of view. Why do not certain parties have their boilers inspected? I presume that they save a pound, and they choose to run the risk rather than pay that pound; but if they are obliged to pay the pound, my opinion is that they will see that they get value for it.

2213. Is there not something beyond the pound that they are afraid of?—There may be in some cases.

2214. But are they not also afraid of having to spend money in repairing their defective boilers?—Decidedly so. I think the mere fact of our having so many explosions proves that.

2215. Then it would entirely depend on whether they elected a competent board, and not only a competent but a *bonâ fide* board, intending to carry out the inspection, whether the inspection would be valuable or not?—I think there is no fear on that point; it might be so; but it is not likely to go wrong in that direction, I think.

2216. You think that the minority would govern the rest?—No, the unwilling would become the minority then, I think.

2217. But they are the great majority now, are they not?—Yes; it must be remembered that boiler inspection in this country is quite a new thing, I think that the public would soon find the benefit of inspection.

2218. Did I undertand you to say that you do not think that any authority, either governmental or otherwise, above this board, should have a veto, or anything to do with the fixing of the regulations?—I do not know that anything of that kind is needed. If this private management does not do well, there is always time to look after it.

2219. Then you would leave this, without any interference of any superior authority, as an experiment for a number of years, would you?—I think it would prove permanent; but that is what I propose.

2220. At all events, do you think that it is absolutely necessary if inspection is to be carried out, that it should be done by competent parties, and under proper and efficient regulations?—Yes, decidedly.

2221. And you think it right that every boiler should be inspected?—Yes, decidedly.

2222. Have you paid any attention to the new class of boilers, or rather the new application of boilers, now becoming common; namely, for agricultural purposes; I mean those semi-locomotive boilers?—They are very much like locomotives, so far as I know.

2223. There have been several explosions of those agricultural boilers, have there not?—There have been some.

2224. Do you think that those agricultural boilers should be under inspection?—I think there is a difficulty in catching them; they travel about the country, and you do not know where to find them.

2225. But if they were registered we should know that they belonged to somebody, should we not?—Yes.

2226. But you have not considered that point, perhaps?—I have thought about it, but I do not see how to do it.

2227. Now with regard to parties in charge of boilers, have you anything to state to the Committee as to whether they should submit to any examination, or have a certificate of fitness?—Perhaps it would be as well if they underwent a certain examination; but this is an age of examination; everything is to be done by examination, and I do not see the good of it.

2228. But are there not a great many explosions in consequence of negligence or ignorance on the part of the men in charge of boilers?—Yes.

2229. That is a fact beyond all doubt, is it not?—Yes.

2230. Do you think that any previous examination, and certificate to the men, would be any additional security?—Yes, I think it would, though it might very well become a dead letter.

2231. How would it become a dead letter?—An examination is one thing, and knowing the business is another.

2232. Of course, if an incompetent man obtained a certificate it would be worse than valueless?—No doubt.

2233. Mr. *Hermon.*] A man might be crammed up to it, I suppose?—Yes, I think the better way would be to increase the firemen's wages, instead of paying them only 5 *s.* or 10 *s.*; if you pay them fair wages you will obtain good men.

2234. Mr. *Cawley.*] But take the case of a steam user who wishes to have a good man, would not a competent examination (not merely questions and answers) be really a mode of ascertaining whether he knew his business or not?—I have no objection to an examination if a man knows what he is examined upon.

2235. Would not that tend to prevent the employment of a great many incompetent men?—Perhaps I am transgressing, but I may state that I remember,

Mr. *C. F. Beyer.*

21 July 1870.

I remember, many years ago, some of my friends from Prussia told me that examination for locomotive enginemen did not furnish better men.

2236. How would you ascertain whether a man was a good man for a locomotive engine driver or not?—I have no rule for it; I select in the best way I can.

2237. You do not take them hap-hazard I am sure?—I look at a man, and I ask him some questions, then I try him.

2238. And you then find whether he is competent or incompetent?—Yes.

2239. And having proved his competency you would not object to grant him a certificate, I suppose?—In these days a great many young engineers come with certificates which are perfectly satisfactory, and when I try them I find them of no use; how that would act with steam boilers I do not know.

2240. You cannot, in fact, at this moment hit upon such an examination as, in the hands of a concientious man, would secure the certificate being of value?—That is precisely it.

2241. Mr. *Lancaster.*] You think that the employer or steam user is the best person to examine his own workman?—I think so.

2242. You would hold the employer responsible to the public for employing proper persons, would you not?—Yes, I would.

2243. You think that is a safe plan, do you not?—Yes; that is safer than laying down any rule.

2244. You would have all boilers registered?—Yes.

2245. And before the registration, I take it that you would have them examined to see if they were properly constructed and fit to be set to work?—Yes, that is very essential.

2246. And you would make it compulsory that those examinations should be carried out in some form similar to that of the Steam Users' Association, and you would embody that in an Act of Parliament?—Yes; I think that it should be done in the Act of Parliament.

2247. If I understand the matter rightly, the Manchester Steam Users' Association have about one-fifteenth part of the boilers in use under their inspection?—Yes; I believe so.

2248. You would simply extend that association by 50 times its staff and its representation?—Yes; it would be something like that.

2249. You have about 10 directors in the present association, have you not?—Yes, I think it is about that, but I really do not know.

2250. Assuming that there are 10 directors or managers in your association, in that case you would want 500 for the whole country, supposing the extension were upon the same scale?—Yes.

2251. And you would let each of those associations send a representative to the central association?—Yes.

2252. You would make that central association appoint all the principal engineers connected with the Steam Users' Association, I suppose?—Yes; only the engineers; I should like it to represent all the bodies.

2253. But any new rules or law should emanate from that central body?—Yes.

2254. And the local association should only have the carrying out of those instructions?—Yes; I think it would come to that.

2255. You see no difficulty, without Government interference, in carrying that out thoroughly, do you?—No; I do not see any difficulty in it; I think it could be done.

2256. Now, if it was necessary to have any interference you would prefer the municipal or country authorities rather than that it should be the Government direct?—I pay little attention to these matters. I am hardly prepared to answer that question, but I certainly would not have the Government.

2257. But if it was required to have an authority, you would rather have a local borough or country authority than a Government authority, would you not?—I would.

2258. Mr. *Tipping.*] I think you are aware that the number of locomotive explosions, or the total number of locomotives in existence, is excessively small?—I have no statistics upon that subject, but there are not many explosions of locomotive boilers, I believe.

2259. On that ground you would say at once there was no necessity for interference, because you would consider that the result was the best proof that railway companies manage their own affairs pretty well; that is your argument, is it not?—Yes; and it is a very proper argument, too, I think.

2260. Sir *T. Bazley.*] You said, in answer to the honourable Member for Wigan, that you thought a national organisation, founded on the principle of the Steam Users' Association in Manchester, would be desirable, and you assented to the suggestion that there should be 50 such associations in the country?—Yes, there might be.

2261. The Manchester Steam Users' Association take charge of about 2,000 boilers, do they not?—Yes.

2262. Do you not think it possible that that association, being exceedingly well managed, could control 10,000 boilers?—Yes; it is only an extension of means that is required.

2263. Therefore, a smaller staff and fewer establishments than has been hinted might be required in the country?—Yes.

2264. And a higher class of engineering skill could so be employed and paid for, could it not?—Yes; that is a very important point. With regard to the proposition of having 50 associations, perhaps 10 would do very well.

2265. You have also said that you think the orders emanating from the central board should be obeyed by the sectional boards in the country?—Yes.

2266. But does it not occur to you that in country districts there may be found engineers of skill and genius whose suggestions on the spot ought to be immediately adopted, and that it would be a waste of time to make a communication from a country district to the central board of an important discovery, and that the discovery should be returned officially from the central body?— But I presume that if any changes took place they would be made perodically; those boards would meet every three, or six, or 12 months, and if any improvement had been made in the meantime it would come before those men, who would settle whether it was to be adopted at once or to wait.

2267. But it might be so apparent and so important that the local board might say that this valuable discovery must be spread in every direction at once, might it not?—We need not be in such a hurry as to that; there is no improvement likely to be made that could not wait six months.

2268. But a good many improvements have been

Mr. *C. F. Beyer.*

21 July 1870.

been made in the last quarter of a century, have they not?—Not a very great many.

2269. But from your point of view, you are in favour of local boards taking the control of boilers in their respective districts?—I am.

2270. Mr. *Hermon.*] You object to a superficial examination of a fireman, and you would place no dependence upon it?—No.

2271. But suppose you or your chief engineer told the fireman to go about his duty, and you examined his method of doing it, do you not think that after he had done that to your satisfaction, that you gave him a certificate, that certificate would be a great recommendation to him to find employment with another steam user?—Yes; but that is the way we have done it all along; if a man wants a situation he obtains an introduction from some practical man.

2272. You are in favour of an examination of the fireman, if the examination is a practical one?—Yes, if it leads to some practical results.

2273. Mr. *Cawley.*] And not a mere theoretical examination?—No, not a mere theoretical examination.

2274. Mr. *Birley.*] Would you debar a man from working as a fireman, unless he had passed some examination?—If you did that it would be an injury to many men, because there are, very often, men who do not belong to a trade who are much better men than those who are in the trade.

2275. Mr. *Cawley.*] But supposing there were examination and certificates required, is it not fair to assume that competent men would be able to obtain certificates?—Yes, if that examination was effectual; but I suspect the value of the examination.

2276. Your difficulty is with regard to the mode of carrying out the examination, is it not?—Yes, just so.

2277. *Chairman.*] Are there any further observations which you would like to make to the Committee in connection with the subject of steam boiler explosions?—No.

Captain Robert Robertson, R.N., called in; and Examined.

Captain *R. Robertson,* R.N.

2278. *Chairman.*] You are Surveyor General of Steam Vessels under the Board of Trade, are you not?—I am.

2279. How long have you occupied that position?—For 16 years; and previous to that I had charge of the steam reserve and steam trials under the Admiralty, at Woolwich.

2280. I need hardly ask you if you are aware that a number of steam boiler explosions are constantly occurring?—Yes.

2281. And I presume that your attention has been called to that fact?—Yes.

2282. Those explosions resulting in the loss of many lives?—Yes.

2283. Has it occurred to you that many of those explosions might be prevented?—Certainly; by proper inspection of boilers the explosions might have been prevented in many cases.

2284. You think that a periodical inspection by competent persons would prevent most of those explosions?—Yes.

2285. Would you make the inspection of boilers compulsory?—Yes, certainly, otherwise you would not get it.

2286. How often would you propose to have boilers inspected?—I would have them inspected once a year, and I would have a certificate given with regard to the sufficiency of the boiler for a year.

2287. By whom would you have that inspection carried out?—By competent surveyors; my idea is that the local bodies in different parts of the country should appoint local inspectors, subject to the approval of the Board of Trade or some other public department, perhaps the Board of Trade would be the best; I think the Board of Trade should have the power of removing any of those men if they found out a man was incompetent, or for any other good cause; they should be appointed in the same way as the board of guardians appoint medical officers and others, subject to the approval of the Poor Law Board; as the local marine boards appoint examiners in navigation, and others, under the Board of Trade. That is to say, that the different local authorities should ascertain the number of inspectors necessary in their respective districts and should select proper men, and nominate them to the Board of Trade for approval. The Board of Trade, in case of misconduct or incompetency, should have the power, as the Poor Law Board would have under present circumstances with respect to medical officers and others, to remove them; that is with regard to local inspection. Now, I think, that all new boilers before they leave the works of the maker should be inspected by a Board of Trade surveyor; that is, of course, presuming that the Board of Trade is the Government department chosen to undertake that duty; the surveyor should examine the boiler under the directions of the Board of Trade, and should see that it was properly constructed, and had all the necessary appliances, such as steam-gauges, safety-valves, and so on.

2288. Then would you propose to have the thing entirely under the Board of Trade, or simply that they should exercise a certain surveillance over the inspectors?—I would propose that the Board of Trade should have a general supervision over the inspectors, and also that a register should be kept at the Board of Trade of every boiler, with the maker's name, the date of the construction of the boiler, and other particulars.

2289. And that the inspector should be appointed subject to their approval?—Yes.

2290. But not necessarily by the Board of Trade?—No; they should be appointed by the different local authorities, only subject to the Board's approval; but I think the Board of Trade should appoint some small number of inspectors for the inspection of new boilers, so that every boiler would have the approval of a Government inspector.

2291. From whom should the recommendation with regard to the appointment of those inspectors come in the first instance, do you think?—From the corporation or local body of the district; for example, in Manchester, the corporation of Manchester would make that recommendation. They should ascertain the number of boilers in the locality, and select an adequate number of men to survey those boilers, and nominate

Captain *R. Robertson*, R.N.

21 July 1870.

nate them to the Board of Trade, and the Board of Trade would app ove the selection, unless they were aware of some objection.

2292. Do you think that the owner of the boiler should be relieved from any responsibility in consequence of an inspection taking place?—Not the least. The inspections are for the protection of the public, and they are, morally speaking, for the advantage of the owners, because in the event of an accident happening after a boiler had been certified, I think the jury would consider that in the amount of damages which they gave.

2293. Any inspection which relieved the owners of boilers from responsibility would be objectionable, in your opinion?—Certainly. The Board of Trade now survey all passenger steamships, and the owners are not relieved from liability, except to a small extent.

2294. How should the inspectors be paid, in your opinion?—I think they should be paid either by the Board of Trade directly, or by the local authorities; that is to say, a fee should be charged on every survey, which should be paid to the local authorities, and then the Board of Trade would pay the inspectors, either by fees or salaries.

2295. The fees being obtained from the parties who had the boilers inspected, I suppose?—Yes. Suppose the case of a boiler being inspected by a Board of Trade surveyor, or a local surveyor, whoever it was, he should send a declaration of sufficiency, stating the maximum pressure which could be allowed to the boiler. That should be sent to the Board of Trade and registered there, and then the owner would have a certificate for 12 months on payment of such a fee as might be determined upon.

2296. But you make it a strong point, do you not, that the party having a boiler inspected should not pay the inspector at all?—Certainly not, because there might be collusion: it would never do, in my opinion, to let the owners of boilers employ their own people.

2297. You think that the fee should be determined upon and received by the Board of Trade?—Yes, by the Board of Trade, or the local authority who appoints the inspector.

2298. In case of any person using an uncertificated boiler, what penalty would you propose to impose upon him?—£. 100.

2299. In every case where a person used an uncertificated boiler you would impose a penalty of 100*l.*?—Yes, in every case; and in case of any surveyor receiving a fee, or any owner giving a fee, I would have a penalty of 50*l.* on the giver as well as on the receiver.

2300. Would you consider an examination by a local inspector sufficient in the case of a new boiler?—I should say that he ought to be competent to do it, but I would rather see all new boilers surveyed by an inspector appointed by the Board of Trade, who would be a superior man.

2301. The Board of Trade have at present an efficient staff, have they not?—Yes, we have a large number of inspectors, and that is why I think the Board of Trade would be a proper department to undertake that duty, because we have the machinery already; and in order to carry it out, I do not think it would be necessary to appoint more than four or five inspectors in the first instance, as far as the Board of Trade is concerned, to inspect new boilers.

2302. I suppose that general rules for the guidance of the inspectors would be laid down by the Board of Trade?—General rules for the guidance of the inspectors would be laid down by the Board of Trade; if you had not a central board of that kind, I do not see how it could work; questions will arise in numerous cases as to, for instance, what the pressure should be, and the Government surveyor might want to reduce it; then the owner says, perhaps, "I will not do it." Other things, too, might arise which must be referred there and then to some department; those are things which occur daily with regard to passenger ships. The owners object to the pressure being reduced, and the surveyor insists upon it, and then, of course, there is a necessity for referring it to a higher authority; that authority is the Board of Trade, who take it into consideration and determine the point; that difficulty would arise in the same way with regard to land boilers; there are a very large quantity of land boilers where the first step would be to reduce the pressure.

2303. Should there be a chief or head inspector, do you think?—Yes; but I think he should not be a mechanical engineer; my own idea is, that it should be an officer of engineers of some rank, like the inspectors of railways at the Board of Trade, and he should have the general supervision; I would not put one engineer over another engineer.

2304. For how long should you recommend the local inspector to be appointed?—I think the local inspector should be appointed for not more than three years certainly, because there is a danger of collusion between him and the owners of boilers; the more frequently you remove him the better; of course I mean that the corporation, or the local authorities, should have the power of re-appointing him.

2305. But it should be a three years' appointment, in the first instance, at the outside, you think?—Yes; it should be a three years' appointment.

2306. Would you exempt locomotive boilers?—Yes; I think that the different companies may be safely trusted with the charge of locomotive boilers; I think the supervision which they have is sufficient, and there are not many serious accidents with locomotive boilers.

2307. You attribute that to the present efficient management of locomotive boilers, do you not?—Yes, I think so; I do not think you could make it better; to some extent that applies to all large companies, but in this country we have such a number of small owners that they require looking after.

2308. And your surveyor or inspector should forward a certificate of the sufficiency of the boiler to the Board of Trade?—I think the surveyor, when called upon by the owner to survey a boiler, should send in a declaration on a form that would be made out by the Board of Trade; that would be sent to the Board of Trade, and the Board of Trade would then stamp it and register it, and on the payment of a fee from the owner they would grant a certificate for 12 months, or for a less time if they thought necessary.

2309. Dr. *L. Playfair.*] A boiler lasts from 15 to 20 years, does it not?—I think that they sometimes last much longer than that, but 20 years is a fair average.

2310. Taking 20 years as the average duration of

of a boiler, there would be about 5,000 new boilers annually made in the country?—I suppose it would be perhaps about 10 or 15 a day.

2311. Now you are to have only four inspectors, you say?—I only meant a limited number of inspectors; I did not want to appoint more at first than were absolutely necessary.

2312. But if it was anything like 5,000 new boilers a year, it would require a very considerable number of inspectors to inspect them, would it not?—It depends on where they are situated; the inspectors should be locally fixed in different places.

2313. Not central officers of the Board of Trade?—They should be officers of the Board of Trade, but located in neighbourhoods where the boilers are situated; then, of course, the Board of Trade would soon find out the number required.

2314. The other inspection you would make purely local and municipal?—Yes, I think so. My opinion is that new boilers should be surveyed by officers of the Board of Trade and the rest by local inspectors; but the inspector of the Board of Trade should occasionally go round and see that things are working properly, and also assist on coroners' inquests and inquiries into accidents.

2315. You would make him a responsible officer of the Board of Trade?—Yes, I would make him directly responsible to the Board of Trade.

2316. Mr. *Hermon.*] Would you make it imperative that every new boiler should be examined and certified by one of those inspectors appointed by the Board of Trade, before it was delivered to the steam user?—Yes, before it leaves the maker's premises, the Board of Trade inspector should survey the boiler and see that it is properly fitted with safety valves and so on. There should be a Government safety valve independent of the working valve, and cut of the control of the engine man when the steam is up.

2317. You say that you would have every boiler examined once a year?—Yes, I would have them all examined once a year.

2318. Supposing you were dealing with a manufacturer who had only one boiler, how would you provide for it; you would stop his works, I suppose?—Of course the owner would have to give notice to the surveyor when the boiler was ready for inspection, and of course the works would have to stop; in fact, the boiler could not be examined until it was cool.

2319. In large establishments, of course, they could avoid the necessity of stopping the works by always having a spare boiler?—No doubt it would be harder upon people who have only one boiler than on the others.

2320. Mr. *Birley.*] Is it not necessary that boilers should be occasionally stopped, and even if a man is working only one boiler, is it not desirable that it should have a holiday now and then besides Sunday?—Yes, I suppose from time to time it is desirable, and I do not think it would be any great inconvenience to the owner if he knew when his boiler was going to be inspected.

2321. Should you provide that all boilers should be stamped and numbered, so that they might be identified?—Yes, and that all boiler plates should have the maker's name or mark on them, with the date, and that a register should be kept at the Board of Trade of all boilers; every boiler should be registered at the Board of Trade, and they should know all particulars.

2322. So that its history could be traced in fact?—Yes, so that its history could be traced, and if an explosion took place the manufacturer of the plate would be known.

2323. Colonel *Gray.*] Your experience is more of marine boilers than steam boilers, is it not?—Yes, my experience is confined to marine boilers only.

2324. And marine boilers are more difficult to inspect than other boilers, are they not?—They are much larger, generally speaking, and of course a steam ship has three or four boilers instead of one; when you speak of surveying a steam ship, you have to survey two, three or four, or perhaps more boilers.

2325. Is there any Government inspections of marine boilers after they are first set to work?—Every passenger steamer in the kingdom is inspected once in six months by a Government surveyor. At the present moment the surveyors of the Board of Trade are engineers, and they are also acquainted with the construction of ships, and they examine both.

2326. Is it not inconvenient to shipowners having this inspection so often?—No doubt it is attended with some inconvenience, and I am very doubtful whether the inspection is so thorough as it should be. I doubt whether there is time enough allowed for the inspection.

2327. How is the cost of that inspection met?—It is on the owners of the vessels, according to the tonnage.

2328. What is the amount of the fee?—It varies from 2 *l.* to 10 *l.*, according to the tonnage; I think the fee for the Great Eastern was more than that even.

2329. Mr. *Cawley.*] Is there any examination of stokers or firemen on board steam ships?—No. There is an examination of the engineers, but not of the stokers.

2330. The engineer is, in fact, in charge of both the engine and the boiler?—Yes.

2331. The stokers are merely working under him?—Just so.

2332. The engineer has to pass an examination and to take a certificate, has he not?—Yes; he has to pass a Board of Trade examination, on which he is granted a certificate of competency.

2333. And that certificate you consider of great importance, do you not?—Yes; it is as important that the engineer should have a certificate as the officer or mate of a vessel, and the engineer is in consequence liable to be punished the same as the master or mate.

2334. Should you apply the same thing to land boilers?—That is a very difficult question to answer, but I think that owners of boilers should be very careful to put competent men in charge of their boilers.

2335. The Committee have it as a matter of fact before them, that one-third of the number of explosions are the result of negligence, or of incompetency on the part of the men in charge of boilers; do you think that is so?—Yes, I think it is so.

2336. Do you think, with that fact before us, that anything could be done in the way of securing more competent men?—It is very difficult to say. It is very desirable no doubt to have competent men, but whether it is necessary that the men should undergo an examination is another question.

Captain *R. Robertson*, R.N. 21 July 1870.

2337. We have the facts staring us in the face, that a large number of explosions result from carelessness or ignorance, have we not?—Carelessness I think is the cause of explosions in many cases.

2338. In many cases it is incompetency on the part of the men, but of course the inspection of a boiler would not touch that cause of accidents?—No, certainly not.

2339. And then the question arises, could the legislation do anything which would secure more competent attention to the working of boilers?—I think that an examination of the men would do good, but there may be difficulties attending it.

2340. Mr. *Lancaster.*] You think that an inspection should be made of a boiler before it is set to work?—Yes.

2341. And that a certificate should be granted to the owner of the boiler for not exceeding 12 months?—Yes; for not exceeding 12 months.

2342. And you think the owner having complied with that, is not relieved from any responsibility?—Certainly not.

2343. Supposing the day following the boiler being set to work, an explosion should occur from mal-construction, you think that the owner is not relieved from responsibility?—I think it would never do to relieve the owner from responsibility; because the tendency would be to make him careless. He would say, "I have got a Government certificate, and I do not care;" but, of course, you put a very strong case.

2344. You think that in such a case the owner should not be relieved from responsibility?—No; but I think he would be morally relieved; if any accident happened, and the case came before a jury, the jury would take all that into consideration.

2345. Would not the public and the jury say that the moral responsibility would rest with the inspectors?—I think it is very likely that the jury would say so, and it would go very far in mitigation of damages, but I do not think that is a probable case.

2346. You say that you would have a separate tax on the steam users for the cost of those inspections?—Yes; I think a fee should be charged on the survey of every boiler.

2347. Is that the way in which it is done with steam vessels?—Yes; every steam vessel pays a fee for a survey from 2 *l.* to 10 *l.*, and the travelling expenses besides, if any.

2348. That covers the expense, does it?—Yes, that covers the expense.

2349. You think that there is no intermediate course, but that an absolute Government inspection is necessary for land boilers as well as steam boilers?—I think that the compulsory examination of boilers is absolutely necessary, and I think it should be done by a Government officer, whether by the Board of Trade, or the Home Office, or any Government department, I give no opinion; my own reason for mentioning the Board of Trade is, that we have already the machinery necessary for the work.

2350. Mr. *Tipping.*] Do you think accidents are prevented in your own department rather through the annual inspection, or through the fact that the engineers who manage those boilers are certificated men, and therefore, so far competent men?—I think the reason we have so few accidents (for I only remember about six explosions in 16 years) is to some extent the Government inspection; I also think from the very fact of the machinery of a boiler being inspected by the Government surveyor; the owners who are interested in the matter take very good care to have it so prepared and so sufficient, that when the inspectors come they know that they will pass it; it has the effect of making the owners take care to keep up the efficiency of the boilers.

2351. Am I to understand you to say that the men who manage the smallest boats, such as ferry boats for example, are certificated?—No, only passenger steamers.

2352. But a great many ferry boats take passengers; do they not take the passenger boats across the Mersey, for example; are they certificated?—Yes, they are all certificated; no steamer can carry any other persons than the owner, his family, and servants without a certificate from the Board of Trade.

2353. Mr. *Pim.*] Do steamers generally work at as high a pressure as land boilers?—Generally speaking, they do not; but just now and for some years past they have been working at a very high pressure, at from 60 lbs. up to 80 lbs., and even more than that, but that is, of course, not general.

2354. But there are some working up to that pressure?—Yes, but the generality of them work up to 25 lbs. or 30 lbs.

2355. The boilers in all steam vessels are not examined, are they?—In all passenger vessels.

2356. Only in passenger vessels?—In passenger vessels only.

2357. Would you consider it necessary to extend that inspection to all boilers in other steam vessels?—I think all boilers should be examined whether they carry passengers or not.

2358. Whether on land or at sea?—Whether on land or at sea.

2359. You except locomotive boilers?—Yes.

2360. Take moveable boilers, such as agricultural boilers, do you think they should be examined?—Certainly, they should come under survey; I know of none that require it more; those boilers go round the country, and get knocked about.

2361. They should be compulsorily inspected, you think?—Yes, they should be compulsorily inspected.

2362. That is to say, you think they should be compulsorily inspected, in the same way as all other boilers?—Yes, in the same way as all other boilers.

2363. Are accidents with those moveable boilers common?—They have not been in use for many years, but there have been several accidents.

2364. They work at a high pressure, I believe?—They work at about a pressure of 40 lbs.

2365. And when accidents have occurred have they been usually fatal?—I have not had much experience of them.

2366. Sir *T. Bazley.*] How many marine boilers may you have under inspection at the Board of Trade?—I cannot tell you the number, but we survey about 2,251 vessels every six months; but the number of boilers I cannot tell you, because in some ships there are two, or three, or four boilers.

2367. You do not know the number of marine boilers in existence now?—No.

2368. Do you think you could take the care of the 100,000 boilers which exist in the United Kingdom at the Board of Trade?—Yes, in the way I suggest, partly by the local authorities and partly by the Board of Trade.

2369. Would

Captain *R. Robertson*, R.N.

21 July 1870.

2369. Would you propose to give your inspector the power of stopping a boiler whenever it was thought to be needed in the opinion of the local inspector or in the opinion of the Board of Trade?—If a local inspector was called upon to inspect a boiler and he found he could not pass it, if the owner attempted to work the boiler, I would put a penalty of 100 *l.* upon him for using it without a certificate.

2370. Of course you would give the amplest notice of an intention to examine a boiler, would you not?—It would be the duty of the owner to give notice to the surveyor of the time of the expiration of the certificate, and ask him to come and make the examination, and if he found that a boiler was not sufficient he would point out to the owner why it was not so, and suggest that such-and-such things must be done. If the owner objected to do that and then worked the boiler in defiance of that suggestion I would subject him to a penalty of 100 *l.*

2371. That is subjecting the owner to compulsory inspection?—Yes, I would subject every owner to compulsory inspection.

2372. Would it not be probable that where those boilers were made, and the skill and ingenuity were exercised in their construction, the practical knowledge required in working them would give to the parties resident in the district greater skill than would be possesssed by parties appointed by the Board of Trade?—No, I think that the inspectors appointed by the Board of Trade, who are daily in the habit of inspecting boilers, have a greater knowledge than the constructors very often.

2373. But you would only take your professional gentlemen from the same market or field as the local associations take them?—Yes, but probably the Government inspector might be a man rather superior to those found in most other places.

2374. What is the fee charged for the inspection of steam packet boilers?—From 2 *l.* up to 10 *l.*, according to the tonnage of the ship; with regard to the question of fees, I think the question of fees would have to be arranged so as to pay all the expenses of the surveyors.

2375. Mr. *Pim.*] What scale of fees would you propose for the inspection of land boilers?—We should have to consider, first, the number of boilers and the expenses of surveyors; I am not prepared to answer that question off-hand; I suppose 2 *l.* or something of that kind would be about the figure, but I cannot tell.

2376. Would you propose a fee, varying according to the size of the boiler; you would not charge as much for a 5-horse boiler as for a larger one, would you?—The inspector might have more trouble with a 5-horse power engine boiler than with a larger one.

2377. *Chairman.*] Do you wish to state anything to the Committee in addition to the evidence you have already given?—No.

Mr. Lavington E. Fletcher, re-called; and further Examined.

Mr. *L. E. Fletcher.*

2378. *Chairman.*] The Committee understand that you wish to say a few words with regard to your strong conviction that the verdicts generally given at coroners' inquests are not correct, and that explosions, as a rule, are not accidental?—I did not expect to be called on this morning; the other day when I gave my evidence I was provided with several drawings of exploded boilers in illustration of cases in which the verdicts of coroners had been glaringly opposed to the truth; in one case the coroner went out of his way to say that there had been no want of skill, care, or caution, although the boiler was so deeply grooved through defective staying that it was reduced in places to the thickness of a sheet of paper, and hence the explosion. The coroner's remarks were taken up by the engineering press, and shown to be quite absurd. Before any legislation can take place upon this matter it seems that at least six months or more must elapse. Now, from past experience it is but too likely that some 40 more lives will be lost in that time. If, therefore, any expression of opinion could be given by this Committee that would tend to draw the attention of the public to the fact that competent inspection is adequate to prevent explosion, and that would also draw the attention of coroners to the importance of returning sound verdicts, clearly stating the cause of the explosions, rather than the stereotyped verdicts of "accidental death," it appears to me that good might be done. At all events, such a course seems worth a trial.

2379. Mr. *Cawley.*] What you wish to convey to the public at large is this, that instead of looking at it, perhaps, simply as a question of criminality (coroners' juries desiring not to bring parties in criminally guilty), coroners' juries should inquire with regard to the causes of the accidents, you being satisfied that in the majority of cases it is not accident, but negligence or defect in the boiler?—Yes. Boiler explosions are not, as a rule, accidental, but preventable.

2380. And if parties would take more complete means of supervision themselves, accidents would be prevented?—Yes, I think so.

2381. And you think if that were done during the next six months, it would save a number of lives apart from any Report of this Committee?—It is to be hoped that it might. It is fearful to think that 40 men may lose their lives from boiler explosions while legislation is in progress. It seems to me, therefore, worth while to make a trial. In one or two cases the following form of verdict was adopted at my instance: "The jury, while they do not attribute the explosion to culpable negligence, find that the explosion arose from the corroded state of the boiler, which might have been detected by competent inspection, in time to have prevented the catastrophe." Verdicts plainly stating the cause of every explosion in this way would undoubtedly tend to educate the public mind, and do good.

LIST OF APPENDIX.

Appendix, No. 1.

Suggestions for the Guidance of the Committee, handed in by the Chairman - - p. 113

Appendix, No. 2.

Papers handed in by Mr. Fletcher:

No. 1.—Tabular Statement of Explosions from 1 January 1870 to 18 June 1870, inclusive - - - - - - - - - - - - - p. 115

No. 2.—Table showing the Number of Explosions recorded by the Manchester Steam Users' Association from the commencement of 1855 to 31st of December 1869 - - - - - - - - - - - - - p. 116

No. 3.—Return of the Number of Persons Killed and Injured by Steam Boiler Explosions from the Year 1865 to 1869, inclusive - - - - - p. 117

Return of the Number of Railway Passengers Killed and Injured by Circumstances beyond their own Control, from the Year 1865 to 1869, inclusive - - - - - - - - - - - - - p. 117

No. 4.—Table showing the Causes from which Explosions arose in the Year 1869 - p. 118

No. 5.—Table showing the Causes of the Steam Boiler Explosions that occurred from the 1st of January 1861 to the 18th of June 1870 - - - p. 118

Appendix, No. 3.

Papers handed in by Mr. Hiller, 30 June 1870:

Explosions reported during the Five Years ending 31 December 1869 - - - p. 119

Appendix, No. 4.

Paper handed in by Mr. Nasmyth, C.E.:

Probable Causes of Boiler Explosions - - - - - - - - - - p. 120

Appendix, No. 5.

Paper handed in by Mr. Marten:

Midland Steam Boiler Inspection and Assurance Company:

Records of Boiler Explosions, arranged in Periods of Ten Years, up to end of 1869. Arranged according to Description of Boiler - - - - - - p. 122

Records of Boiler Explosions, arranged in Periods of Ten Years. Arranged according to Causes - - - - - - - - - - - p. 123

APPENDIX.

Appendix, No. 1.

Steam Boiler Explosions Committee.

SUGGESTIONS for the Guidance of the Committee, handed in by the Chairman.

The purpose for which this Committee has been appointed is, as you are aware, "To inquire into the cause of steam boiler explosions, and the best means of preventing them." Appendix, No. 1.

Of the necessity of this inquiry there can be no doubt. The most casual readers of the public newspapers must have had forced upon their attention the constant recurrence of boiler explosions, with the distressing consequences attendant thereon. It is not long since a most disastrously fatal explosion occurred at Bingley, killing as many as 15 persons, and injuring 33 others, the greater part of whom were women and children. But the other day we heard of another destructive catastrophe of the same description, which occurred at a brewery at Southsea, whereby three persons were killed, and four others seriously injured. Scarcely was the coroner's inquiry on this catastrophe concluded, when another explosion took place at Warrington, killing six persons, and injuring three others; and immediately after that, another again happened at Dublin, under, as I am informed, very aggravating circumstances, resulting in the death of three persons, and in serious injury to six others. Immediately upon the heels of this explosion, another of an alarmingly fatal character occurred at Kidsgrove Iron Works, Staffordshire, killing as many as 13 poor fellows, and injuring five others. Indeed, so rapid has been the succession of one explosion after another, that it would weary you were I to attempt to recite them at all in detail, but I am informed that since the Kidsgrove explosion, though so recent, four others have taken place.

These catastrophes do not happen just now and then; they are constant. Explosions have come to be an established institution in this country, and a sad accompaniment to the use of steam. Looking not at the last few months only, but at several years, it appears that, on striking an average, as many as 50 explosions occur every year, killing 75 persons, and injuring at least as many others, if not more. On comparing this with the loss of life consequent on railway travelling, it appears that for every railway passenger killed from circumstances beyond his own control, three persons are killed by boiler explosions.

The number of lives lost, however, from boiler explosions, is not the limit of the suffering entailed by these catastrophes, since many of those killed are heads of families, and thus "breadwinners," as they are expressively termed, so that, in consequence of their death, many families are deprived of their principal means of support, many women are widowed, and many children orphaned.

We have therefore clearly before us a national calamity, which calls for our most earnest consideration, and it appears to me that in dealing with it we have in the first instance to ascertain whether this national calamity is beyond the power of man to avert, or whether it is remediable, and should it prove to be remediable, either partially or totally, it will then be our duty to consider in the second place what measures can best be adopted to prevent its continuance.

I trust I shall not be considered premature in avowing that I entertain the most sanguine hope that the examination of competent witnesses will show that the constant recurrence of these catastrophes is not unavoidable but preventible; that explosions, though so disastrous in their results, are by no means mysterious, but are due to the simplest causes; that they are governed by known laws, and can be grappled with and prevented by the exercise of common knowledge and common care. Further, I may perhaps be permitted to state that there has arisen in Manchester a system of periodical inspection of steam boilers, which has proved itself adequate to the prevention of these catastrophes so far as it has been adopted, and I believe it can be shown to the satisfaction of this Committee, that if this system of periodical boiler inspection were adopted by every steam user in the country, that explosions would be brought to an end.

Appendix, No. 1.

Arriving at this point, we shall then have before us the disease with which we have to grapple, viz.: the occurrence of 50 steam boiler explosions every year, and the remedy which we have to apply, viz.: competent periodical inspection. After this there will remain for us to consider how the adoption of periodical inspection can best be rendered general, and so administered that while it shall extinguish explosions on the one hand, it shall not prove burdensome or in any way cramping to the steam user on the other.

Various plans have been proposed for securing the adoption of boiler inspection by every steam user in the kingdom. These plans may be classed under two heads: First, those which are preventive *indirectly*; and secondly, those which are preventive *directly*.

Those who recommend the adoption of *indirectly* preventive measures, propose that a penalty should be attached to explosion, so that every steam user that burst his boiler should have to pay a heavy deodand. This, it is thought, would drive steam users to adopt precautionary measures, and to enrol themselves either with such inspecting associations or insurance companies as exist at present, or might subsequently arise, and thus secure, without further legislative enactment, the inspection of all the boilers in the country.

Those who recommend the adoption of *directly* preventive measures, propose that inspection should be enforced by legislative enactment in every case, though they vary in their views as to how that inspection should be provided, and also as to how it should be administered. One plan proposed is, that all the boilers in the kingdom should be consigned to the supervision of the Board of Trade. A second plan is, that instead of the inspection being carried out by the Imperial Government from one centre, that it should be carried out by town councils or other local authorities, such authorities appointing their own inspectors. A third plan is, that while no inspection shall be undertaken by the Government, whether Imperial or local, the Government should render it an imperative condition, upon the enjoyment of the use of steam, that every boiler owner should have his boiler examined at least once a year, and certified as safe and trustworthy, the certificates to be granted by such boiler inspection and insurance companies as at present exist, as well as by others which might spring up in future, and also by any other parties deemed suitable. But in order to secure the integrity of the inspections, only those authorised by the Government to be allowed to grant certificates, so that the Government, while it enforced the general adoption of inspection, would not undertake the duty itself, but instead of inspecting the boilers would inspect the inspectors.

These are some of the plans already proposed for rendering the adoption of steam boiler inspection universal, while others will no doubt be suggested during the course of the inquiry.

All these plans will, it appears to me, demand our attention, and in weighing them it should be borne in mind that three conditions have to be complied with. The first,—that inspection should be rendered general; the second,—that it be rendered efficient; and the third,—that the steam user be protected from harassing interference.

Such, gentlemen, is in brief the way in which the present inquiry appears to me to shape itself. The whole may be put in a word. It is reported that there are 75 lives lost every year through steam boiler explosions, and that the remedy for this is periodical boiler inspection. Is this true or not? If true, then the task that devolves on us is to contrive a measure to secure the periodical inspection of every boiler throughout the entire kingdom, and also that this inspection be carried out in such a manner that while explosions are extinguished the steam user is not injured. That this Committee, with the active co-operation of its members, will succeed in this endeavour, I entertain the most sanguine hopes, believing that its labours will not only result in ridding the country of the present scourge of boiler explosions, but at the same time in aiding the progress of science and the use of steam.

Appendix, No. 2.

PAPERS handed in by Mr. *Fletcher*, 23 June 1870.

No. 1.

TABULAR STATEMENT of EXPLOSIONS from 1 January 1870 to 18 June 1870, inclusive.

Progressive Number for 1870.	Date.	General Description of Boiler.	Persons Killed.	Persons Injured.	TOTAL.
1	11 Jan. -	Single flued or "Cornish": Internally fired - - - -	3	1	4
2	15 „ -	Plain cylindrical egg-ended: Externally fired - - -	1	4	5
3	4 Feb. -	Single flued or "Cornish": Internally fired - - - -	1	–	1
4	8 „ -	Boiling pan or "Kier": Heated by steam - - -	2	6	8
5	14 „ -	Circulating for heating purposes: Externally fired - - - -	2	1	3
6	27 March -	Particulars not fully ascertained -	–	1	1
7	27 „ -	Marine: Internally fired - - - -	–	–	–
8	29 „ -	Single flued or "Cornish": Internally fired - - - -	3	4	7
9	13 April -	Double flued or "Lancashire': Internally fired - - - -	6	3	9
10	18 „ -	Plain cylindrical egg-ended: Externally fired - - - -	–	–	–
11	18 „ -	Single flued or "Cornish": Internally fired - - - -	1	1	2
12	12 May -	Plain cylindrical egg-ended: Externally fired - - - -	2	–	2
13	18 „ -	Single flued or "Cornish": Internally fired - - - -	4	5	9
14	26 „ -	Upright furnace or "Rastrick": Heated by flames from puddling furnaces.	13	5	18
15	27 „ -	Upright portable: Internally fired - - - -	2	–	2
16	28 „ -	Particulars not fully ascertained.	–	–	–
17	2 June -	Single flued or "Cornish": Internally fired - - - -	2	1	3
18	6 „ -	Single flued or "Cornish": Internally fired - - - -	–	–	–
19	9 „ -	Double flued or "Lancashire": Internally fired - - - -	–	1	1
20	17 „ -	Double furnace "Waist": Internally fired - - - -	2	1	3
		TOTAL - - -	44	34	78

Appendix, No. 2.

No. 2.

TABLE showing the Number of EXPLOSIONS recorded by the Manchester Steam Users' Association from the commencement of 1855 to 31st of December 1869.

YEAR.	Number of Explosions.	Persons Killed.	Persons Injured.	TOTAL.
1855 - - - -	10	10	1	11
1856 - - - -	31	58	70	128
1857 - - - -	27	67	58	125
1858 - - - -	33	78	100	178
1859 - - - -	26	57	65	122
1860 - - - -	22	45	36	81
1861 - - - -	22	30	51	81
1862 - - - -	28	87	89	176
1863 - - - -	48	76	80	156
1864 - - - -	33	65	91	156
1865 - - - -	48	46	79	125
1866 - - - -	72	87	108	195
1867 - - - -	36	60	67	127
1868 - - - -	45	57	60	117
1869 - - - -	58	86	126	212
TOTAL, Fifteen Years -	539	909	1,081	1,990

Note.—The above Return does not by any means include the total number of explosions, or the total number of persons killed and injured during the period referred to, since, in the early years of the Association's operations, such complete records were not kept as is now the case, so that many escaped its notice. At the present time, there occur on an average 50 explosions a year, killing about 75 persons, and injuring as many others.

No. 3.

RETURN of the Number of Persons Killed and Injured by Steam Boiler Explosions from the Year 1865 to 1869, inclusive.

Year.	Number of Explosions.	Persons Killed.	Persons Injured.	Total.
1865 - - - -	48	46	79	125
1866 - - - -	72	87	109	196
1867 - - - -	36	60	67	127
1868 - - - -	45	57	60	117
1869 - - - -	58	86	126	212
Total, Five Years - -	259	336	441*	777

* This includes only those seriously injured, and does not give a full return.

RETURN of the Number of Railway Passengers Killed and Injured by Circumstances beyond their own Control, from the Year 1865 to 1869, inclusive.

Year.	Number of Catastrophes.	Passengers Killed.	Passengers Injured.	Total.
1865 - - - -	92	22	1,034	1,056
1866 - - - -	69	15	540	555
1867 - - - -	95	19	689	708
1868 - - - -	87	40	519	559
1869 - - - -	98	16	688	704
Total, Five Years - -	441	112	3,470*	3,582

* This is a full return, and includes those passengers injured slightly only as well as those injured seriously.

From the above Returns it will be seen that while 112 passengers were killed by railway travelling during the last five years from circumstances beyond their own control, as many as 336 persons were killed by boiler explosions.

Appendix, No. 2.

No. 4.

TABLE showing the CAUSES from which EXPLOSIONS arose in the Year 1869.

CAUSE OF EXPLOSIONS.	Number of Explosions.	Persons Killed.	Persons Injured.
Malconstruction:			
External firing - - - - - - - 11			
Collapse of flue tubes - - - - - 7			
Weak manholes - - - - - - 4			
Want of stays - - - - - - - 4			
	26	28	43
Defective Condition:			
External corrosion - - - - - - 8			
Internal corrosion - - - - - - 7			
	15	33	56
Overheating through shortness of water - - - -	7	10	11
Overheating from the use of boiler compositions - -	1	—	—
Overheating, but cause of overheating requires further investigation.	1	11	7
Cases in which full particulars have not been obtained -	8	4	9
TOTAL - - -	58	86	126

No. 5.

TABLE showing the CAUSES of the STEAM BOILER EXPLOSIONS that occurred from the 1st of January 1861 to the 18th of June 1870.

CAUSE OF EXPLOSIONS.	Per-centage of whole Number.	Number of Explosions.	Persons Killed.	Persons Injured.
Malconstruction of the boilers, either in the shells or fittings.	40	120	216	268
Defective condition, either in the shells or fittings -	29	88	188	239
Failure of the seams of rivets at the bottom of externally fired boilers.	15	44	64	67
Overheating of the plates from shortness of water -	10	30	23	23
Overheating of the Plates:				
From incrustation, 6 - - - - -				
From the use of boiler compositions, 1 - -	3	8	14	12
From causes requiring further investigation, 1 -				
Excessive pressure through attendants tampering with safety valves.	2	5	10	12
Explosion of economiser, but whether from gas or over-pressure of steam is uncertain.	½	1	–	–
Cause entirely independent of the condition or construction of the boiler, and may be termed "accidental."	½	1	1	1
Number of cases in which the cause has been investigated.	100	297	516	622
Number of cases in which the cause could not be investigated for want of sufficient particulars. - -		114	123	160
Total Number of Explosions - - -	- -	411	639	782

Appendix, No. 3.

PAPERS handed in by Mr. *Hiller*, 30 June 1870.

Appendix, No. 3.

THE EXPLOSIONS reported to me during the Five Years ending 31st December 1869 were 288; of these I have obtained reliable particulars of 223, which are tabulated below.

Index No.	CAUSE OF EXPLOSION.	Number of Explosions.
1	External corrosion	36
2	Deficiency of water	36
3	Fracture at riveted seams at the lower part of boiler, generally over the furnace (externally fired boilers)	29
4	Insufficient staying, or malconstruction	29
5	Weakness of internal flue tubes	29
6	Overpressure	24
7	Internal grooving	9
8	Internal corrosion	8
9	Weakness of shell at manhole	8
10	Fracture through flaws in iron, *i.e.* defective material	5
11	Unusual accumulation of deposit on furnace plates (plain cylindrical boilers)	2
12	Collapse of tube through deposit	1
13	Thinning of copper fire-box, external wear (locomotive boilers)	1
14	Defective fire-box stays - - - - ditto	1
15	Weakness of manhole cover	1
16	Defective manhole mouthpiece	1
17	Fracture in flangeing of an end plate (plain cylindrical boiler)	1
18	Defective arrangement of external flues	1
19	Boiler without safety valve	1
	TOTAL	223

Particulars of remaining 65 Explosions not obtained.

CAUSE.	Number of Explosions.	Proportion.
1. Explosions due to defects of construction, either of material or workmanship	80	36 per cent.
2. Supervening defects	87	39 „
3. Negligence of user	56	25 „
TOTAL	223	100 per cent.

In the first, I include those arising from weak form, insufficient staying, defective fittings or setting up.

In the second, defects arising during ordinary use of the boilers, such as corrosion, fracture, and grooving.

In the third, those explosions directly due to actual neglect of owner or his servants, as deficiency of water, and most cases of overpressure.

Appendix, No 4.

PAPER handed in by Mr. *Nasmyth*, C.E.

Appendix, No. 4.

PROBABLE CAUSES of BOILER EXPLOSIONS may be classed as under:—

First.—Deterioration of Original Strength.
Second.—Original Malconstruction.
Third.—Defective Materials.
Fourth.—Defective Workmanship, Original or in Repairs.
Fifth.—Short Supply of Water.
Sixth.—Undue Pressure.

First.—*Deterioration of Original Strength.*

Decay by general or local corrosion, often resulting from an unseen or inaccessible leakage; defective repair or tinkering of parts difficult of access, and therefore liable to be effected in an imperfect manner, often done in haste, and generally under circumstances adverse to the production of sound and careful work.

Second.—*Original Malconstruction.*

All the causes named in No. 1 would be much aggravated by original malconstruction. By malconstruction I refer to the existence of forms and arrangements of parts ill-adapted to withstand the strains they are naturally subject to.

Third.—*Defective Materials.*

Such as inferior and brittle quality of the plates and rivets, rendering them liable to crack under the continual action of the expansion and contraction to which the material of all boilers is naturally subject to. A frequent result of this incessant expansion and contracting action is the creation or dangerous development of cracks from rivet-hole to rivet-hole, as also from the rivet-holes outwards to the edge of the plates.

Fourth.—*Defective Workmanship.*

Defective workmanship most generally manifests itself in leakages, which, when they occur in parts of the boiler difficult of inspection and access, produce local corrosions that become a fertile source of danger; all the more so as such corrosions may reach a most riskful point, and yet escape observation; a small unseen leakage is on this account more riskful than one which, from its greater extent as a leakage, would naturally call attention to it ere serious risk had been induced. One class of defective workmanship which is fertile in disaster results from inaccurate punching of rivet-holes, to bring which to a better agreement by the use of the conical or drift punch, cracks and weakness are induced, which in time develope into very serious sources of disaster. Brittle plates cracked in bending, in like manner, result in mischief. Rivets hammered until they are nearly cold may also be classed as one of the sources of dangerous weakness in a boiler, as such undue hammering renders the rivets brittle. Repairs, or "tinkering," done, as they often are, under circumstances adverse to the production of sound and careful workmanship, is likewise a frequent source of disaster.

Fifth.—*Short or Inadequate Supply of Water.*

This cause of explosions may not always, in the first instance, result in an explosion; but the effect of short supply of water generally results in such a loss of the strength of the

the material of the over-heated part, as well as a loss of the original power, as to induce dangerous weakness that sooner or later may result in disaster. "Flued boilers" are specially liable to serious damage from the over-heating of the plates, resulting from short supply of water.

Sixth.—*Undue Pressure.*

This cause of explosion may, and indeed generally does, result from defective safety-valves, in combination with the existence of general or local deterioration of the material and strength of the boiler.

The subject of boiler explosions, in reference to the investigation of the causes of such explosions, is one of great complexity and difficulty in tracing the result to its true cause, inasmuch as the disaster may be, and generally is, the result of a more or less complex combination of the above-named causes.

4 July 1870. *James Nasmyth.*

Appendix, No. 5.

PAPER handed in by Mr. *Marten*.

MIDLAND STEAM BOILER INSPECTION AND ASSURANCE COMPANY.

RECORDS of BOILER EXPLOSIONS, arranged in Periods of Ten Years, up to end of 1869.

Arranged according to Description of Boiler.

DESCRIPTION.	1800 to 1809.	1810 to 1819.	1820 to 1829.	1830 to 1839.	1840 to 1849.	1850 to 1859.	1860 to 1869.	1870 to June 30.	TOTAL.
A.—Uncertain	1	1	6	20	48	80	51	–	207
B.—Marine	–	5	1	8	10	17	28	1	70
C.—Cornish or Lancashire	–	–	4	6	9	30	158	12	219
D.—Locomotive	–	1	1	3	10	43	43	–	101
E.—Plain Cylinder	–	2	–	1	10	36	116	7	172
F.—Balloon	–	–	–	1	1	16	12	1	31
Waggon	–	2	–	2	11	7	1	1	24
Butterley	–	–	–	–	2	1	3	–	6
British Tube	–	–	–	–	–	–	4	–	4
Elephant	–	–	–	–	–	–	3	–	3
Trevethick	1	–	1	–	–	–	–	–	2
G.—Agricultural	–	–	–	–	–	8	22	1	31
Small Vertical	–	–	–	–	–	–	3	–	3
Crane	–	–	–	1	1	–	8	2	12
H.—Kitchen	–	–	–	–	–	5	14	4	23
Kier	–	1	–	–	1	–	1	–	3
Rag	–	–	–	–	–	–	6	1	7
I.—Furnace, Upright	–	–	–	–	1	5	10	2	18
	2	12	13	42	104	248	483	32	936
Killed	3	52	28	77	209	486	710	50	1,615
Injured	5	36	21	118	338	588	926	65	2,097

Midland Steam Boiler Inspection and Assurance Company.

RECORDS of Boiler Explosions, arranged in Periods of Ten Years.

Arranged according to Causes.

Causes.	1800 to 1809.	1810 to 1819.	1820 to 1829.	1830 to 1839.	1840 to 1849.	1850 to 1859.	1860 to 1869.	1870 to June 30.	Total.
Uncertain - - - -	–	11	8	23	40	100	76	1	259
1. *Faults in Original Construction.*									
Bad design - - -									
Weak tubes - -									
Bad fittings - -	1	–	3	6	20	41	125	4	200
Bad stays - - -									
Too weak for pressure required - - -									
Altered in repair -									
2. *Faults during Working.*									
Old and worn out -									
Corroded - - -	–	–	–	2	5	24	136	13	180
Deteriorated plates -									
Ditto seams -									
3. *Faults of Minders.*									
Improper pressure -									
Valve out of order -									
Intentional - -									
Carelessness - -	1	1	2	10	39	81	142	13	289
Valves wedged - -									
Short of water - -									
Thick scale - -									
Muddy water - -									
Extraneous Causes having nothing to do with Boiler -	–	–	–	1	–	2	4	1	8
	2	12	13	42	104	248	483	32	936

REPORT

FROM THE

SELECT COMMITTEE

ON

STEAM BOILER EXPLOSIONS;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

MINUTES OF EVIDENCE,

AND APPENDIX.

Ordered, by The House of Commons, *to be Printed.*
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I N D E X

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STEAM BOILER EXPLOSIONS.

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370.

I N D E X.

[*N.B.*—In this Index the Figures following the Names of the Witnesses refer to the Questions in the Evidence; and those following *App.* to the Pages in the Appendix.]

A.

AGRICULTURAL BOILERS. Few agricultural boilers insured by the National Boiler Insurance Company; obstacles to their inspection, *Hiller* 859, 860——Difficulty in applying compulsory inspection to agricultural boilers, *Beyer* 2222–2226——Importance of a survey of agricultural boilers, *Robertson* 2307. 2360–2365.

Anderson, John. (Analysis of his Evidence.)—As Superintendent of Machinery to the War Department explains the careful system adopted in testing and inspecting the boilers of the department, the result being an immunity from explosions, 1022 *et seq.*——Simple and preventible causes from which explosions occur, 1027–1029. 1122, 1123——Thorough inspection yearly, or oftener, of the War Department boilers by the Manchester Steam Users Association, an annual fee of three guineas being paid for each boiler; importance attached to this inspection, in addition to the test and inspection by the department, 1030, 1031. 1038. 1043, 1044. 1049. 1079–1085. 1103–1106. 1112–1125.

Reference to some rules in force as regards the War Office boilers, which might be adopted generally, 1039, 1040. 1050——Decided approval of compulsory inspection, 1041. 1075–1078——Beneficial operation generally of the Manchester Association, witness approving of an extension of the system as a means of providing universal inspection, 1042–1049. 1073–1078. 1107–1114.

Opinion that certain internal defects which show themselves in the plates in the shape of grooving are due to inferiority of the iron, 1056–1065. 1087–1091——Probability of explosions which occur when the engine has just started being due to lowness of water, 1066–1067——Frequent detection of defects in the War Department boilers which, but for inspection, would cause explosions, 1116, 1117——Uselessness of insurance as a means of securing safety, 1126–1130.

Attendants. Doubt as to the necessity of an examination of persons in charge of boilers, competent inspection being a sufficient safeguard, *Fletcher* 322–325——Numerous explosions on account of the neglect of attendants, inspection being no check in these cases, *Hiller* 692. 698; *Longridge* 1526. 1547, 1548——More competent men in charge where there are several boilers than where there is only one, *Longridge* 1412——Incompetent persons sometimes in charge of boilers, *ib.* 1447, 1448.

Inadequacy of inspection as a means of preventing explosions arising from the carelessness of attendants; illustration hereon, *Galloway* 1889. 1891–1893. 1953–1956——Proposal for an examination of engine attendants or stokers by the Government inspectors, certificates being given, as in the case of engineers of steam vessels; important advantages expected, *ib.* 1908. 1914–1922. 1989, 1990. 2000–2005. 2009–2019——Large proportion of accidents from want of care of attendants, *ib.* 1915–1917.

Proposal that all stokers and attendants be examined and certified, and that any subsequent misconduct be marked on the certificate; how the examination might be conducted, *Rideout* 2045. 2062, 2063. 2068, 2069. 2088. 2090. 2106–2119——Further suggestions on the subject of managers and stokers being certificated; expediency of some exceptions being allowed to this rule, *ib.* 2119, 2120. 2132–2137. 2139–2150.

Slight value attached to an examination of all men in charge of boilers, the question of competency being best left to the owners and employers, *Beyer* 2227–2243. 2270–2276——Doubt as to the expediency of requiring an examination of the men in charge of boilers, *Roberts* 2329–2339.

Report, 1870—*continued.*

B.

Barker, George. (Analysis of his Evidence.)—Is Chairman of the Midland Steam Boiler Inspection and Insurance Company, and is owner and user of from 80 to 100 steam boilers, 1601, 1602——Origin of the Company in order to extend the advantages of inspection and insurance to the boilers used in the South Staffordshire iron and coal trade; subsequent extension of the Company to the Cleveland district, 1603. 1608–1611——Total of about 3,000 boilers insured by the Company, about 1,000 of which are owned by the directors, 1604–1607——Particulars relative to three explosions of boilers insured by the Company, 1612, 1613. 1629–1633.

Examination in approval of a general inspection of boilers, but in disapproval of a compulsory system or of Government interference, 1618 *et seq.*——Efficient inspection already carried out by numerous steam users, there being, however, very many who do not take proper precautions; question hereon whether a compulsory system is not desirable as regards the latter, 1618. 1623 *et seq.*——Opinion that by a strong recommendation from the present Committee, and by the action of associations like the Midland Company voluntary inspection would rapidly spread, and would render compulsion unnecessary, 1619. 1622 *et seq.*

Impracticability of preventing all explosions by means of inspection, 1620. 1658——Estimate of about 20,000 boilers in the districts dealt with by the Midland Company, of which 3,000 only are insured and inspected by the Company, 1643–1645——Insurance rates of the Company adverted to; very small profits divided, this being a secondary consideration, 1649–1651. 1662, 1663——Very few locomotive boilers insured by the Company, 1654–1656——Increasing number of boilers put under inspection, 1667. 1731, 1732——Much larger number of deaths from railway accidents than from boiler explosions, 1705–1709.

Beyer, Charles Frederick. (Analysis of his Evidence.)—Represents the firm of Beyer, Peacock & Company; is a member of the committee of the Manchester Steam Users Association, 2152, 2153——Considers that all stationary boilers should be placed under compulsory inspection, 2154–2156. 2169. 2193–2195. 2202–2204. 2246——Opinion that there is already an efficient inspection of railway or locomotive boilers, 2157–2162. 2196–2201. 2258, 2259——Careful inspection exercised by witness's firm; assistance derived also from the Steam User Association, 2163–2168.

Evidence in favour of inspection being exercised by the owners of the boilers, upon compulsion, and of inspection also by local bodies formed on the principle of the Manchester Steam Users Association, which works admirably, 2163 *et seq.*——Objection to Government inspection or interference, save that Government should require inspection, 2171. 2187, 2188. 2255–2257——Suggestions in detail for the establishment of associations all over the country, like that at Manchester, and for the formation of a central board by means of members from the local boards; competent inspection to be thus secured, 2173 *et seq.*

Advantage of all boilers being registered, and of inspection before registration, 2195. 2244, 2245——Difficulty in applying compulsory inspection to agricultural boilers, 2222–2226——Slight value attached to an examination of all men in charge of boilers, the question of competency being best left to the owners and employers, 2227–2243. 2270–2276.

Board of Trade. See *Inspection*, 4, 5. *Marine Boilers. Responsibility. Rules and Regulations.*

Boiler Insurance and Steam Power Company. Explanation relative to the origin of this Company, and of the Steam Users Association, respectively, *McNaught* 1247–1251. 1299–1302——Details relative to the operations of the company, *ib.* 1253 *et seq.*——Refusal of about fifteen or twenty applications in every 100, *ib.* 1255, 1256. 2271. 1317, 1318. 1344–1346——Particulars relative to the inspection; competent staff employed for the purpose, *ib.* 1259–1263. 1286–1288——Very few explosions of boilers inspected by the company, *ib.* 1264–1266.

Statement of the insurance rates charged by witness's company, and of the practice of insuring for loss of life as well as for damage, *McNaught* 1289, 1290. 1304–1316——Doubt as to the effect of Government, or compulsory inspection upon the operations of the company, *ib.* 1292, 1293. 1335–1340——Good dividends paid by the company, *ib.* 1303, 1304——Fair average of the boilers (as regards quality) of the country insured by the company, *ib.* 1354.

Statement of the number of proposals by boiler owners to the Boiler Insurance Company, and the proportion refused through the owners not complying with the conditions required, or refusing to remedy the defects pointed out, *Longridge* 1391–1396. 1471–1474. 1534–1538——Total of twenty explosions of boilers insured by the company; several causes

Report, 1870—*continued.*

Boiler Insurance and Steam Power Company—continued.

causes to which attributable, *Longridge* 1397-1402——Total of 12,688 boilers under the company's inspection, *ib.* 1407—— Average of one explosion annually in 4,600 boilers insured by the company, *ib.* 1419, 1420.

Main object of witness's company to prevent explosions rather than to make profit, *Longridge* 1463, 1464. 1541, 1542——Statement as to internal inspection not being necessarily made by the company before insuring each boiler, *ib.* 1566, 1567.

C.

Causes of Explosions. Simple and ascertainable causes from which explosions occur, the chief causes being malconstruction of the boiler, and defective condition, *Fletcher* 136, 137——Enumeration of the various causes of explosions, with particulars as to the number and character of explosions under different heads, *Hiller* 679-698——Origin of explosions chiefly from weakness in the boiler and from inattention, *Richardson* 876-880——Preventible character of a very large number of explosions, *ib.* 955——Simple and preventible causes from which explosions occur, *Anderson* 1027-1029. 1122, 1123.

Enumeration of six different heads under which boiler explosions arise, it being possible in the great majority of cases to prevent explosion by means of inspection, *Nasmyth* 1135 *et seq.*——Number of explosions under different heads, *Longridge* 1421-1423—— Statistics of explosions since the year 1800; particulars more especially relative to the explosions within the last four years, and their causes, *Marten* 1745-1756.

Table submitted by Mr. Fletcher showing the causes from which explosions arose in the year 1869, *App.* 118—— Statement of the causes of explosions from the 1st January 1861 to the 18th June 1870, *ib.*

Paper submitted by Mr. Hiller containing information relative to the cause of explosion in the case of 223 explosions, *App.* 119.

Statement laid before the Committee by Mr. Nasmyth, showing under different heads the origin of explosions, *App.* 120, 121.

Paper handed in by Mr. Marten containing records of explosions arranged in periods of ten years from the year 1800 up to the end of 1869, *App.* 122, 123.

See also *Attendants. Corrosion. Fittings. Flues. High Pressure. Inspection. Iron Plates. Malconstruction. Manholes. Pressure. Repairs. Safety Valves. Setting of Boilers. Water Supply.*

Central Board. Suggestion that a central board be elected by the steam users throughout the country, and that this board should appoint centres for carrying on the work of inspection, and should have the entire administration and control, *Fletcher* 189 *et seq.*—— The board should consist of men of science and men of commerce in equal proportions, *ib.* 189——Advantage of local representation and central administration, *ib.* 195-198. 209-212——Consideration of the details of election of members of the proposed central board, *ib.* 201-203. 253-257——Contemplated honorary character of the central board; belief that eminent persons would gladly serve gratuitously, the labour being light, *ib.* 207, 208. 214-216. 228——The honour of a seat on the board would be considerable, *ib.* 207. 361.

Witness submits a plan of election and constitution of the central board, involving certain control in the Board of Trade, but explains that such plan is not his own, and that he prefers entirely to dispense with the latter authority, *Fletcher* 258, 259. 287-297. 327, 328. 402-421——Proposal that in the election of members of the central board every steam user should have a vote for every boiler, *ib.* 260-265. 275-279. 364-366—— There might be twenty members, *ib.* 271. 326——Witness repeats that the services of the board should be gratuitous, *ib.* 272. 360, 361——Belief as to the efficiency of the control to be exercised by the central board over the inspectors acting locally, *ib.* 306-317. 326-328——Opinion that quarterly meetings of the central board would suffice, *ib.* 326. 354-359.

Objection to a central inspection control in London, *Thompson* 624, 625——Evidence opposed to central or Government control of the proposed inspection, it being much better to leave the matter to the local authorities, *Richardson* 906-921. 936-941. 1015-1020.

Suggestions for the formation of a central board by means of members from local associations to be established throughout the country, *Beyer* 2173 *et seq.*

See also *England and Wales.*

Chadderton Explosion. Recent explosion near Chadderton, the insurance of the boiler having previously fallen through, *Thompson* 644, 645. 651-658.

Report, 1870—*continued.*

Collieries and Iron Works. Frequent explosions of boilers used in collieries and iron works, *Hiller* 684-690. 802-807; *Longridge* 1461, 1462——Negligence and ignorance owing to which explosions of colliery boilers chiefly occur, *Hiller* 850-853.

Compensation. Explanation that payment of compensation is not proposed under witness's scheme of a central board, *Fletcher* 373—— Amount of compensation paid by the National Boiler Insurance Company, *Thompson* 643——Expediency of applying Lord Campbell's Act in cases of culpable negligence, and of otherwise rendering boiler owners liable to heavy penalties and responsibilities, *McNaught* 1282. 1319-1325. 1355, 1356. 1358; *Longridge* 1426. 1459, 1460. 1520-1525. 1527. 1570.

Compulsory Inspection. See *Inspection* 3, 4.

Condemned Boilers. Contemplated disuse, compulsorily, of every boiler condemned on inspection, *Sir W. Fairbairn* 127, 128——Contemplated suspension of boilers from use if found dangerous on inspection, and until they were certified as fit for use; difficulty in some cases through the works being stopped, *Fletcher* 298-305. 321-325. 362, 363. 401——Expediency of large powers in the proposed government inspectors in stopping the use of boilers, *Longridge* 1479-1483.—— *See* also *Penalties. Stoppage of Works.*

Construction of Boilers. See *Iron Plates. Malconstruction.*

Cornish Boilers. Frequent explosion of Cornish boilers from collapse of furnace tubes, *Fletcher* 139.

Coroners' Inquests. Exceptions taken to the system of inquiry by coroners, and to the verdict of accidental death uniformily returned, *Sir W. Fairbairn* 31-33. 83, 84—— Dissent from the conclusions generally arrived at by coroners' juries, the explosions being for the most part preventible, *Hiller* 753-755——Suggestion that at inquests there be a strict investigation into the cause of explosion, and that engineering evidence be always taken, *Hiller* 868.

Proposal that competent persons be appointed by Government for attending coroners' inquests, who should act as public prosecutors, *McNaught* 1272. 1275-1284. 1319-1325. 1347-1350. 1356. 1371-1374. 1379, 1380——Unsatisfactory working of coroners' juries, *Longridge* 1440-1442——Advantage of power to use the evidence of the proposed engineers at coroners' inquests, *Marten* 1787. 1856-1858——Further statement as to the improper verdicts often returned by coroners' juries, and as to the importance of prompt amendment in this respect, *Fletcher* 2378-2381.

Corrosion. Information on the subject of corrosion as a fruitful source of explosions; great importance of careful periodical inspection as a means of detecting this danger, *Sir W. Fairbairn* 8. 20-31. 34-37——Evidence as to the great abuse which prevails in boilers being worked in a most defective condition, the plates sometimes being so wasted by corrosion as to be no thicker than a sheet of paper, *Fletcher* 148-176——Details relative to sundry explosions due to corrosion, showing the great destruction of life and property caused by this evil, for which a remedy is urgently required, *ib.* 148-176—— Frequent explosions from corrosion, *Penn* 476——Corrosion is sometimes induced by the character of the water, *Thompson* 498.

Numerous explosions from internal and external corrosion; how this arises and how it may best be detected and prevented, *Hiller* 680, 681. 693-697. 737, 738. 747-750. 808, 809—— Frequency of explosions from corrosion, which often results from unseen or unaccesible leakage; suggestions for the detection and removal of this source of danger, *Nasmyth* 1136. 1143-1154. 1158-1172. 1202-1202——Considerable difficulty, by means of inspection, in always detecting corrosion or leakage, *ib.* 1152-1154. 1170-1172. 1201——Means by which witness is enabled to gauge the thickness of plates and to detect whether they have become deteriorated by corrosion, *Rideout* 2035-2039. 2059-2061.

Statistics showing the large number of explosions from corrosion, *App.* 118, 119.

See also *Grooving.*

Cost of Inspection. Proposal that the inspectors or cost of inspection be paid by the owners of the boilers, *Sir W. Fairbairn* 38. 112-114; *Richardson* 894; *Galloway* 1907. 1960-1963. 1998, 1999——Proposal that every steam user shall pay towards the expenses, *Fletcher* 206. 213-218——Estimate of 1 *l.* as the cost of a competent internal examination of a boiler, *ib.* 380——Estimated total of a guinea and a half as the cost of examination per boiler, including establishment charges and everything; this would amount to 157,500 *l.* a year for 100,000 boilers, *ib.* 394-399——Calculation that each boiler costs witness's company from 12 *s.* to 15 *s.* a year in inspection, *Thompson* 591-602. 608. 673.

Estimate of from 17 *s.* to 20 *s.* as the cost of one thorough inspection, and two or three general inspections yearly, *Hiller* 704-706——Contemplated payment of a fee for inspection undertaken by firms which supply boilers: expected readiness of such firms

to

Report, 1870—*continued.*

Cost of Inspection—continued.

to inspect, and of steam users to accept the inspection, *Hiller* 773–786——Estimate of 15 *s.* as the cost of a thorough inspection, comprising report and plan, *ib.* 833–838.

Estimate of 10 *s.* per boiler per annum as the average cost of inspecting and testing the boilers in Oldham, *Richardson* 900–905. 992–997. 1005. 1011——Explanation as to the less cost of the proposed inspection than of that carried out by the Steam Users Association, *ib.* 1005–1014——System of inspection by witness's company without insurance; rate of charge in such case, *Marten* 1766–1775. 1819–1832——Suggestion that the inspectors be paid by means of fees to be charged for each survey; practice hereon in the survey of marine boilers, *Robertson* 2294–2297. 2327, 2328. 2346–2348. 2374–2376.

Cylindrical Boilers. Frequent explosion of cylindrical boilers as used in collieries and iron works; particulars hereon, *Hiller* 684–690. 802–807——Causes of explosion of cylindrical boilers, *Longridge* 1401——Instances of explosion of a cylindrical boiler after some repairs had been done, *Marten* 1740–1749.

D.

Damages to Boilers. Insurance by witness's company against small or partial damage to boilers as well as against explosions; much larger sums paid by the company for such damages than for exposions, the former being greatly more numerous, *McNaught* 1251, 1252. 1341–1343. 1351–1353.

E.

England and Wales. Suggestion that for the present the proposed central board should act only for England and Wales, *Fletcher* 268. 318–320. 339.

Examination of Attendants. See *Attendants.*

F.

Fairbairn, Sir William, Bart. (Analysis of his Evidence.)—Has had considerable experience in the investigation of steam boiler explosions, 1–6——Very rare occurrence of explosions previously to the introduction of high pressure steam, about forty years ago, 6. 50——Formation several years ago of the Manchester Steam Users Association, in accordance with suggestions by witness, as a means of providing a careful inspection of boilers, 6——Details relative to the constitution and mode of operation of this association, there being about 2,000 boilers subject to its inspection, and the result being a complete immunity from explosions, 6. 72–74. 80–82. 87–91. 103–111.

Evidence as to the importance of a periodical and careful inspection of boilers throughout the kingdom by competent inspectors, witness believing that explosions would be thereby reduced to a minimum, 6 *et seq.*——Objection to the system of boiler insurance companies as a means of dealing with the question of explosions; inadequate inspection provided, 6. 74——Average of about fifty explosions in England annually, whereby about 160 persons are killed and wounded, 6–8.

Reference to undue or dangerous pressure as one cause of explosions; remedies suggested, an important precaution being that the pressure of steam should never exceed one-fourth the pressure that would burst the boiler, 8. 51, 52——Numerous explosions arising also from collapse of flues; suggestions hereon for the introduction of two or more hoops of angle-iron round the flues, 8–19——Information on the subject of corrosion as a fruitful source of explosions; great importance of careful periodical inspection as a means of detecting this danger, 8. 20–31. 34–37.

Exceptions taken to the system of inquiry by coroners, and to the verdict of accidental death uniformly returned, 31–33. 83, 84——Proposal that the inspectors be paid by the owners of the boilers, 38. 112–114——Explanation that witness is not prepared with detailed suggestions as to the mode of providing inspectors, nor does he suggest that they should be Government officers, but merely that Government should make it compulsory upon all persons using boilers to have them regularly inspected, 40–46. 63 *et seq.*

Question of responsibility considered in connection with a system of compulsory inspection, 42–49. 63–71——Expediency of not testing boilers much in excess of their working pressure, 53–58. 126——Proposed inspection quarterly, 59–62——Contemplated formation of voluntary associations for carrying out compulsory inspection, 63 *et seq.*

Necessity of the inspectors being well paid, and being practical and competent men, 75. 115–122——Objection to a municipal inspection, 86——Advantage if the proposed associations were registered, 123–125——Contemplated disuse, compulsorily, of every boiler condemned on inspection, 127, 128.

Report, 1870—*continued.*

Fittings. Large number of explosions due to the defective condition of the boilers, either in the shells or fittings, *Fletcher* 136, 137——All the fittings should be tested, *Richardson* 896.

Fletcher, Lavington E. (Analysis of his Evidence.)—Is chief engineer to the Manchester Steam Users Association: has paid great attention to the subject of steam boiler explosions, 130, 131——Submits statistics of explosions recorded by the Association from 1855 till the end of 1869; 131–135——There are now about fifty explosions annually, killing about seventy-five persons, and injuring as many more, 132——The deaths from explosions are far in excess of those from railway accidents, where the latter arise from circumstances beyond the passengers' control, *ib.*

Great destitution frequently caused by the explosions, 132——Numerous instances of the destruction of life and property extending beyond the works where the explosions occur, 133, 134. 175, 176——Enhanced importance of preventive measures since boilers have been so universally adopted, 134.

Simple and ascertainable causes from which explosions occur, the chief causes being malconstruction of the boiler, and defective condition, 136, 137——Comparatively few explosions through the water being allowed to run short, *ib.*——Frequent malconstruction through the omission of encircling hoops or other appliances for securing furnance tubes from collapse: details relative to explosions from such collapse, 138, 139.

Occurrence of many explosions through weak manholes, the plates not being strengthened round the opening with a substantial mouthpiece, 139–141——Particulars of explosions from defective stays, and from malconstruction in other ways, 142——Instances of bad safety valves and bad water gauges, as having caused explosions, 142–148.

Evidence as to the great abuse which prevails in boilers being worked in a most defective condition, the plates sometimes being so wasted by corrosion as to be no thicker than a sheet of paper, 148–176——Details relative to sundry explosions due to corrosion, showing the great destruction of life and property caused by this evil, for which a remedy is urgently required, *ib.*

Remedy available by means of competent inspection, 177——Contemplated testing of boilers by hydraulic pressure before leaving the maker's yard, *ib.*——Proposed periodical inspection of boilers when in use, both when under steam and when at rest, *ib.*——Importance of at least one entire examination every year, when the boiler is at rest, *ib.*——Illustration afforded by the inspection under the Manchester Association of the great value of a general inspection in detecting sources of danger and in preventing explosions, 177–184——Exceptional instances of explosion in the case of boilers under the inspection of the Association, 178–180.

Probability of there being as least 100,000 boilers throughout the kingdom, 181, 182——Grounds for the conclusion that every steam user should be compelled by law to place his boilers under competent periodical inspection, 182–188——Illustration of the inadequacy of voluntary inspection, 184——Estimate of 20,000 boilers now under inspection or insurance, being only about one-fifth of the entire number, *ib.*

Opinion adverse to Government interference or control as regards the proposed system of inspection; that is, beyond rendering it compulsory, 189. 191. 205. 207. 228——Suggestion that a central board be elected by the steam users throughout the country, and that this board should appoint inspecting centres for carrying on the work, and should have the entire administration and control, 189 *et seq.*—— Advantage of local representation and central administration, 195–198. 209–212——Objection to local or sectional boards with independent powers of action, 199, 200. 209–212. 218–225. 229–241.

Consideration of the details of election of members of the proposed central board, 201–203. 253–257——Proposal that every steam user shall pay towards the expenses ,206. 213. 248—— Contemplated honorary character of the central board: belief that eminent persons would gladly serve gratuitously, the labour being light, 207, 208. 214–216. 228——Question of responsibility or liability considered, in the event of explosions under the proposed system of inspection, 228. 242–252.

[Second Examination.]—Witness submits a plan of election and constitution of the central board, involving certain control in the Board of Trade, but explains that such plan is not his own, and that he prefers entirely to dispense with the latter authority, 258, 259. 287–297. 327, 328, 402–421.

Proposal that in the election of members of the central board every steam user should have a vote for every boiler, 260–265. 275–279. 364–366——Further statement opposed to local boards, witness recommending that the central board should act locally by means merely of a paid staff of inspectors and others, 266–270. 306–317. 329–331. 337, 338. 374–376——He suggests that for the present the board should act only for England and Wales, 268. 318–320. 339——He repeats that the services of the board should be gratuitous, 272. 360, 361——Essence of the scheme that all boilers be compulsorily registered and placed under inspection, 273, 274.

Report, 1870—*continued.*

Fletcher, Lavington E. (Analysis of his Evidence)—*continued.*

Circumstance of owners of inferior boilers holding aloof from the Manchester Association, 281-286——Contemplated suspension of boilers from use if found dangerous on inspection, and until they were certified as fit for use; difficulty in some cases through the works being stopped, 298-305. 321-325. 362, 363. 401——Belief as to the efficiency of the control to be exercised by the control board over the inspectors acting locally, 306-317. 336-338.

Doubt as to the necessity of an examination of persons in charge of boilers, competent inspection being a sufficient safeguard, 332-335——Opinion that quarterly meetings of the central board would suffice, 336. 354-359——Importance of an inspection of small boilers as well as of large ones, 340-346. 367-369——Very efficient action of the Manchester Association, whereas witness objects to the formation of similar associations or boards locally, and prefers one board for the whole country, 347-353. 370, 371. 380.

Long distances to which inspectors are sent by the Manchester Association, 370, 371——Doubt as to the number of inspecting centres to be required, 372——Explanation that payment of compensation is not proposed as any part of witness's scheme of a central board, 373——Operation of three boiler insurance companies in Manchester, 377-379——Fallacy in relying upon insurance companies as any remedy for the evil of explosions: neglect of efficient inspection by the companies on account of the expense, 380-387.

Estimate of 1 *l.* as the cost of a competent internal examination of a boiler, 380——Instances of explosions of insured boilers, 386, 387——Separate insurance required by the companies as regards loss of life from explosions, 388-393——Estimated total of a guinea and a half as the cost of examination per boiler, including establishment charges and everything; this would amount to 157,500 *l.* a year for 100,000 *l.* boilers, 394-399——Large dividends paid by some of the insurance companies, 400.

[Third Examination.]—Explanation that the Steam Users Association have had but one explosion during the last 5½ years in respect of guaranteed boilers; occurrence also of one explosion of an unguaranteed boiler, 1588-1595——Unfairness of debiting the Association with explosions where the boilers are unguaranteed; very few such boilers, 1590, 1591. 1596——Application of all the receipts of the Association to inspections and scientific investigations, 1591-1593.

Concurrence in the opinion as to the grooving of boilers being due chiefly to mechanical action, 1597——Facility of detecting grooving and of remedying the evil; suggestions on this point, 1598-1600—— Means of constructing locomotive boilers so that no grooving will take place, 1599——Moderate expense at which locomotive boilers may be examined as regards grooving, 1600.

[Fourth Examination.]—Further statement as to the improper verdicts often returned by coroners' juries, and as to the importance of prompt amendment in this respect, 2378-2381.

Flues. Numerous explosions arising from collapse of flues; suggestions hereon for the introduction of two or more hoops of angle iron round the flues, *Sir W. Fairbairn* 8-19——Frequent malconstruction through the omission of encircling hoops or other appliances for securing furnace tubes from collapse; details relative to explosions from such collapse, *Fletcher* 138, 139——Advantage if it were prohibited to set any boiler with flues of such a size that they cannot be entered for inspection, *Hiller* 737, 738.

Fusible Plug. Value of a patent plug used by the National Boiler Insurance Company, in preventing explosions from shortness of water, *Thompson* 642. 663, 664——Explanation as to the advantages of the fusible plug in case of internally fired boilers, *Hiller* 729-736. 824, 825——Opinion that 100 boilers have been saved from damage since the adoption of the plug, *ib.* 824.

Uselessness of the fusible plug, when it becomes coated with deposit, *Longridge* 1437-1439; *Rideout* 2033——Objection to fusible plugs for marine boilers, *Galloway* 1884-1886.

G.

Galloway, Robert. (Analysis of his Evidence.)—Is Chief Surveyor of steam vessels to the Board of Trade, 1874, 1875——Particulars relative to the inspection to which marine boilers are subjected by the officers of the Board of Trade, the inspection being compulsory only as regards passenger vessels, 1876-1883. 1887-1889. 1923-1926——Control exercised as regards the safety valves to marine boilers, 1883——Objection to fusible plugs for marine boilers, 1884-1886——Rare instances of explosion of marine boilers; particulars of some which have occurred, 1889-1898. 1939-1942. 1988-1990. 2006-2008.

Inadequacy of inspection as a means of preventing explosions arising from the carelessness of attendants; illustration hereon, 1889. 1891-1893. 1953-1959——Advantage of the Board of Trade inspection as not relieving the owners from responsibility, it not

Report, 1870—*continued.*

Galloway, Robert. (Analysis of his Evidence)—*continued.*

being compulsory save in the case of passenger vessels, 1898. 1901 *et seq.*——Improvement if the inspection were once a year instead of every six months, so as to be more thorough, 1899, 1900.

Examination opposed to a compulsory inspection of land boilers, as relieving the owners or users from responsibility, 1901 *et seq.*——Suggestions for applying to land boilers the system adopted as regards marine boilers, inspectors being appointed for the purpose by the Board of Trade, whose services might be called in by the owners in order that certificates might be obtained, 1903 *et seq.*——Proposal that the inspection be paid for by the owners, 1907. 1960–1963. 1998, 1999.

Proposal also for an examination of engine attendants or stokers by the Government inspectors, certificates being given as in the case of engineers of steam vessels; important advantages expected, 1908. 1914–1922. 1989, 1990. 2000–2005. 2009–2019——Increased liability or responsibility contemplated in the event of explosions of boilers not inspected or certified; at the same time the certificate should not exempt from responsibility, 1908. 1912, 1913. 1918–1922. 1932–1938. 1950–1952. 1973.

Advantage of Government inspectors rather than of inspectors appointed by the steam users or by insurance associations, 1927–1931. 1957–1959. 1980–1984. 1995–1997——New set of Government inspectors necessary, 1968——Way in which compulsory inspection is undesirable as interfering with the owners' responsibility, 1969–1979.

Government Inspection and Control. See *Inspection,* 4, 5. *Marine Boilers. Responsibility.*

Grooving. Opinion that certain internal defects which show themselves in the plates in the shape of grooving are due to inferiority of the iron, *Anderson* 1056–1065. 1087–1091——Difficulty in accounting for the grooving or corrosion which shows itself in the plates; opinion that it arises from chemical rather than mechanical action, *Nasmyth* 1162–1172. 1218–1229——Explanation on the subject of grooving in boilers, this arising mainly from mechanical action, but being partly due to chemical causes, *Longridge* 1571–1586——Concurrence in the opinion as to the grooving of the boilers being due chiefly to mechanical action, *Fletcher* 1597——Facility of detecting grooving and remedying the evil; suggestions on this point, *ib.* 1598–1600.

H.

High Pressure. Very rare occurrence of explosions previously to the introduction of high pressure steam about forty years ago, *Sir W. Fairbairn* 6. 50——Reference to undue or dangerous pressure as one cause of explosions; remedies suggested, an important precaution being that the pressure of steam should never exceed one-fourth the pressure that would burst the boiler, *ib.* 8. 51, 52——Over-pressure adverted to as a source of danger, *Nasmyth* 1137.

Hiller, Henry. (Analysis of his Evidence.)—Is Chief Engineer to the National Boiler Insurance Company; has had large experience as to the causes of boiler explosions, 675–678——Enumeration of the various causes of explosions, with particulars as to the number and character of the explosions under different heads, 679–698——Numerous explosions from internal and external corrosion; how this arises, and how it may best be detected and prevented, 680, 681. 693–697. 737, 738. 747–750. 808, 809——Suggestion for preventing the use of inferior materials in construction, 684.

Frequent explosion of cylindrical boilers as used in collieries and iron works; particulars hereon, 684–690. 802–807——Liability to explosion where the safety-valve is bad, 691——Occurrence of some explosions through the water gauges being fixed too low, 692——Numerous explosions on account of the neglect of attendants, inspection being no check in these cases, 692. 698.

Evidence in favour of boilers being visited three or four times a year, and of a thorough inspection at one of these visits, 699. 712 *et seq.*——Considerable difficulty experienced by witness's company in obtaining facilities for thorough inspection, about one-half of the boilers insured not receiving a thorough inspection yearly, 700–703. 707–711. 771——Estimate of from 17*s.* to 20*s.* as the cost of one thorough inspection and two or three general inspections yearly, 704–706——Proposed system of compulsory registration as a means of securing efficient inspection, 712–718.

Penalty necessary in order to secure compliance with the proposed regulations, 719——Suggestions as to the provision of inspectors by companies, by steam users, and by boiler makers respectively, it being undesirable to remove private inspection and responsibility, 720, 721. 740–746. 761–763——Small proportion of boilers insured, there being a very large number to be brought under inspection, 722–728.

Explanation as to the advantages of the fusible plug in the case of internally fired boilers, 729–736. 824, 825——Advantage if it were prohibited to set any boiler with flues of such a size that they cannot be entered for inspection, 737, 738——Proposed definition of

Report, 1870—*continued.*

Hiller, Henry, (Analysis of his Evidence)—*continued.*

of the class of boilers to be placed under compulsory inspection, 739——Suggestion that there be a thorough inspection by a public officer once a year, the boiler to be stopped for the purpose, 745, 746. 751, 752. 857, 858.

Dissent from the conclusions generally arrived at by coroners' juries, the explosions being for the most part preventible, 753-755——Contemplated inspection before any boiler is used, but not during construction, 756-760——Practice generally of witness's company not to insure any boiler beyond 500*l.*, 764, 765——Grounds for objecting to Government taking the responsibility of inspection, 766-770——Valuable operation of witness's company in preventing explosions and loss of life, 772.

Contemplated payment of a fee for inspection undertaken by firms which supply boilers; expected readiness of such firms to inspect, and of steam users to accept the inspection, 773-786——Information relative to an explosion near Middleton, in which case the boiler had been accepted for insurance by witness's company at 60 lbs. pressure, but through some difficulty as to a thorough inspection the insurance was withdrawn, 787-801. 826-832——Great importance of a check upon the materials used in construction, and upon the setting up of the boiler before it is used, 810-823.

Reference to certain inspection reports, as showing the character of the inspections, 832——Estimate of 15*s.* as the cost of a thorough inspection, comprising report and plan, 833-838——Doubt as to the actual number of thorough inspections made by witness's company; considerable number of insured boilers not yet thoroughly inspected, 839-848——Negligence and ignorance owing to which explosions of colliery boilers chiefly occur, 850-853.

Difficulty as to a systematic or public inspection of railway or locomotive boilers, it being desirable to leave the inspection with the companies, 854-856. 861-865——Few agricultural boilers insured by witness's company, there being much difficulty as to inspection, 859, 860——Exceptional instances of Sunday inspection by witness's company, 866, 867——Suggestion that at inquests there be a strict investigation into the cause of explosion, and that engineering evidence be always taken, 868.

Hydraulic Test. See *Testing of Boilers.*

I.

INSPECTION:

1. *Generally as to the great importance of a Systematic Inspection of Boilers.*
2. *Number of Boilers now under Inspection.*
3. *Question whether Inspection should be Compulsory or Voluntary.*
4. *Question whether Inspection should be administered by Government or by Local Authorities and Associations.*
5. *Suggestions as to the detailed Arrangements to be adopted.*

1. *Generally as to the great importance of a Systematic Inspection of Boilers:*

Evidence as to the importance of a periodical and careful inspection of boilers throughout the kingdom by competent inspectors, witness believing that explosions would be thereby reduced to a minimum, *Sir W. Fairbairn* 6 *et seq.*——Remedy available by means of competent inspection for the great majority of the explosions which occur, *Fletcher* 177; *Penn* 432 *et seq.*——Witness considers that careful periodical inspection would prevent nearly all the explosions occurring from carelessnesss and from neglect to remedy defects, *Thompson* 491-497. 506, 507——Several respects in which external inspections are valuable, *Hiller* 699——Opinion that efficient inspection throughout the country would prevent three-fourths of the explosions, *McNaught* 1267-1270——Opinion that explosions may be reduced to one in 5,000 boilers by careful inspection, *Longridge* 1428——Impracticability of preventing all explosions by means of inspection, *Barker* 1620. 1658.

Views of the Chairman of the Committee as to the great importance of competent periodical inspection as a means of preventing explosions and loss of life, *App.* 113, 114.

2. *Number of Boilers now under Inspection:*

Estimate of 20,000 boilers now under inspection or insurance, being only about one-fifth of the entire number, *Fletcher* 184——Small proportion of boilers inspected out of the total number in the country, *Thompson* 584, 585——Increasing number of boilers put under inspection, *Barker* 1667. 1731, 1732.

3. *Question whether Inspection should be Compulsory or Voluntary:*

Explanation that witness is not prepared with detailed suggestions as to the mode of providing inspectors, nor does he suggest that they should be Government officers, but merely that Government should make it compulsory upon all persons using boilers to have them regularly inspected, *Sir W. Fairbairn* 40-46. 63 *et seq.*——Grounds for the conclusion that every steam user should be compelled by law to place his boilers under competent

INSPECTION—continued.

3. *Question whether Inspection should be Compulsory or Voluntary*—continued.

competent periodical inspection, *Fletcher* 182–188——Illustration of the inadequacy of voluntary inspection, *ib.* 184——Essence of witness's scheme that all boilers be compulsorily registered and placed under inspection, *ib.* 273, 274.

Conclusion that compulsory inspection would prevent the great majority of explosions, witness not being prepared however to suggest how such inspection should be carried out, *Penn* 432 *et seq.*——Concurrence of opinion as to the necessity of compulsory regulations, *Penn* 432 *et seq.*; *Richardson* 885. 954; *Anderson* 1041. 1075–1078; *Nasmyth* 1140. 1179.

Examination favourable on the whole to inspection being made compulsory, that is, as preferable to no inspection at all, *McNaught* 1272–1285. 1294–1298. 1326–1340——Witness would like to facilitate spontaneous inspection, *ib.* 1375——Conclusion that compulsory inspection would not be necessary, and that voluntary inspection would soon become general, if owners were liable to prosecution and punishment, as suggested by witness, *Longridge* 1426 *et seq.*

Examination in approval of a general inspection of boilers, but in disapproval of a compulsory system or of Government interference, *Barker* 1618 *et seq.*——Opinion that by a strong recommendation from the present Committee, and by the action of associations like the Midland Company, voluntary inspection would rapidly spread and would render compulsion unnecessary, *ib.* 1619. 1622 *et seq.*

Grounds for objecting to a compulsory or Government inspection of boilers; difficulty as to the mode of carrying it out, *Marten* 1783–1786. 1792. 1800. 1846–1855——Benefit anticipated from a recommendation by the Committee in favour of periodical inspection, *ib.* 1786, 1787. 1800–1803——Examination opposed to a compulsory inspection of land boilers as relieving the owners or users from responsibility, *Galloway* 1901 *et seq.*; 1969–1979; *Rideout* 2046. 2050. 2070–2073. 2091–2098.

Witness considers that all stationary boilers should be placed under compulsory inspection, *Beyer* 2154–2156. 2169. 2193–2195. 2202–2204. 2246——Conclusion that compulsory periodical inspection should be applied, *Robertson* 2280–2285. 2349, 2350.

4. *Question whether Inspection should be administered by Government or by Local Authorities and Associations:*

Conclusions adverse to Government interference or control, as regards the proposed system of inspection; that is, beyond rendering it compulsory, *Sir W. Fairbairn* 40–46. 63 *et seq.*; *Fletcher* 189. 191. 205. 207. 228——Contemplated formation of voluntary associations for carrying out compulsory inspection, *Sir W. Fairbairn* 63 *et seq.*——Advantage if the proposed associations were registered, *ib.* 123–125.

Examination to the effect that witness prefers to dispense with the Board of Trade in carrying out a central control over local inspection, *Fletcher* 258, 259. 287–297. 327, 328. 402–421——Grounds for objecting to the inspection being undertaken by Government, *Hiller* 720, 721. 740–746. 761–770——Disapproval of Government control, it being better to leave the inspection to the local authorities, *Richardson* 906–921. 936–941. 1015–1020; *Nasmyth* 1180–1184.

Exceptions taken to Government inspection; expediency rather of using the machinery and staff of voluntary and local associations, as at Manchester, *McNaught* 1273. 1281. 1285. 1292, 1293. 1357–1370. 1375–1378——Witness contends that a Government system is not required nor desirable, *Longridge* 1537–1546. 1568–1570.

Suggestions for applying to land boilers the system adopted as regards marine boilers, inspectors being appointed for the purpose by the Board of Trade, whose services might be called in by the owners in order that certificates might be obtained, *Galloway* 1903 *et seq.*——Advantage of Government inspectors rather than of inspectors appointed by the steam users or by insurance associations, *ib.* 1927–1931. 1957–1959. 1980–1984. 1995–1997——New set of Government inspectors necessary, *ib.* 1968.

Objection to Government inspection or interference, save that Government should require inspection, *Beyer* 2171. 2187, 2188. 2255–2257.

Suggestions as to the functions to be exercised by the Board of Trade, *Robertson* 2287–2290. 2302, 2303. 2321, 2322. 2349.

5. *Suggestions as to the detailed Arrangements to be adopted:*

Proposed inspection quarterly, *Sir W. Fairbairn* 59–62——Necessity of the inspectors being well paid, and being practical and competent men, *ib.* 75. 115–122——Proposed periodical inspection of boilers when in use, both when under steam and when at rest, *Fletcher* 177——Importance of at least one entire examination every year, when the boiler is at rest, *ib.* 177——Doubt as to the number of inspecting centres to be required, *ib.* 372.

Suggestion as to the provision of certified inspectors under a compulsory system, *Thompson* 575–588. 586. 633–637——Firms might register their engineers as competent inspectors,

Report, 1870—*continued.*

INSPECTION—continued.

5. *Suggestions as to the detailed Arrangements to be adopted*—continued.

inspectors, but these should not inspect their own employers' boilers, *Thompson* 576–583. 586. 633–637.

Evidence in favour of boilers being visited three or four times a-year, and of a thorough inspection at one of these visits, *Hiller* 699. 712 *et seq.*——Considerable difficulty experienced by witness's Company in obtaining facilities for thorough inspection, about one-half of the boilers insured not receiving a thorough inspection yearly, *ib.* 700–703. 707–711. 771——Suggestion as to the provision of inspectors by companies, by steam users, and by boiler makers, respectively, it being undesirable to remove private inspection and responsibility, *ib.* 720, 721. 740–746. 761–763. 766–770——Definition of the class of boilers desirable to be placed under inspection, *Hiller* 739; *Nasmyth* 1153——Suggestion that there be a thorough inspection by a public officer once a year, the boiler to be stopped for the purpose, *Hiller* 745, 746. 751, 752. 857, 858——Contemplated inspection before any boiler is used, but not during construction, 756–760.

Expediency of a thorough inspection, inside and outside, every year, *Richardson* 883, 884. 892. 972–974——Limited time necessary for inspection by competent persons, *ib.* 949–953——Suggestion that one or more Government inspectors be appointed, who should investigate the cause of every explosion which occurs, and should have power to prosecute, *Longridge* 1426, 1427 *et seq.*——Explanation as to the proposed power in the Government inspector to appoint men for examining boilers in certain cases, *ib.* 1492–1497——Practical men necessary for inspectors; how they might be appointed, *Rideout* 2046. 2100, 2101. 2122–2131. 2138.

Evidence in favour of inspection being exercised by the owners of the boilers, upon compulsion, and of inspection also by local bodies founded on the principle of the Manchester Steam Users' Association, which works admirably, *Beyer* 2163 *et seq.*——Proposed compulsory inspection once a year, a certificate being given for a year, *Robertson* 2286. 2295. 2308——General supervision proposed to be exercised by the Board of Trade, rules and regulations being laid down, and a register being kept of all boilers, *ib.* 2287–2290. 2302, 2303. 2321, 2322. 2349.

See also *Boiler Insurance and Steam Power Company. Causes of Explosions. Central Board. Corrosion. Cost of Inspection. Insurance. Local or Municipal Inspection. Magistrates. Manchester Steam Users' Association. Marine Boilers. Midland Steam Boiler Inspection and Insurance Company. National Boiler Insurance Company. New Boilers. Owners of Boilers. Penalties. Railway Boilers. Responsibility. Stoppage of Works. War Department.*

Insurance. Objection to the system of boiler insurance companies as a means of dealing with the question of explosions; inadequate inspection provided, *Sir W. Fairbairn* 6. 74——Operation of three boiler insurance companies in Manchester, *Fletcher* 377–379——Fallacy in relying upon insurance companies as any remedy for the evil of explosions; neglect of efficient inspection by the companies on account of the expense, *ib.* 380–387——Instances of explosions of insured boilers, *ib.* 386, 387——Separate insurance required by the companies as regards loss of life from explosions, *ib.* 388–393——Large dividends paid by some of the insurance companies, *ib.* 400.

Witness submits that the system of insurance, as involving inspection, is a legitimate and useful mode for the prevention of explosions, *Thompson* 498–505——Instances of boilers worked after their insurance has been refused by witness's company; practice of the company as to declining insurance if their requirements are not complied with, hazardous risks not being taken, *ib.* 559–568. 648, 649. 655–662——Several boiler insurance associations at Manchester, *ib.* 621–623—— Small proportion of boilers insured, there being a very large number under inspection, *Hiller* 722–728.

Exceptions taken to the operation of steam-boiler insurance associations, as regards the matter of inspection, *Richardson* 942–945. 979–981——The system of insurance is detrimental rather than conducive to the public safety, the making of profit being the chief consideration, *ib.* 942–945——Uselessness of insurance as a means of securing safety, *Anderson* 1126–1130——Decided objection to compulsory insurance as a means of safety, *Nasmyth* 1232–1241.

Statement as to the value of the insurance element in causing boilers to be placed under inspection, there being about 12,500 boilers now insured and inspected by witness's company, *McNaught* 1253–1258——Inducement to boiler owners to insure even if examination were compulsory, *Longridge* 1506–1514——Small charge for insurance over and above the cost of inspection, *ib.* 1528——Statement as to inspection without insurance being less effectual than with insurance, there being more power over the boilers in the latter case, *Marten* 1819–1841——Refusal of witness to insure his boilers; tendency of insurance to lead to explosions, *Rideout* 2047–2049.

See also *Boiler Insurance and Steam Power Company. Midland Steam Boiler Inspection and Insurance Company. National Boiler Insurance Company.*

Report, 1870—*continued.*

Iron Plates. Suggestion for preventing the use of inferior iron or plates in construction, *Hiller* 684; *Richardson* 1002——Great danger from the use of defective materials, such as inferior and brittle iron in the boiler plates and rivets, *Nasmyth* 1136, 1137——The iron manufacturer who supplies the plates should guarantee the quality, *ib.* 1216.

Inadequacy of inspection as a means of detecting deterioration in the tensile strength of the plates; conclusion that hydraulic pressure is also inadequate for the purpose, *Longridge* 1403, 1404. 1428, 1429. 1526. 1549. 1565——Importance of a check on the use of faulty material; approval of a requirement that the plates be marked with the maker's name, *ib.* 1405, 1406. 1475–1477.

Long period for which some of witness's boilers have worked without deterioration of the plates, *Rideout* 2051–2057——All boiler plates should have the maker's name on them, *Robertson* 2321.

L.

Licensing of Boilers. Suggestion that no boiler be used save it be licensed by the local authority, *Richardson* 969–971.

Local or Municipal Inspection. Objection to a municipal inspection, *Sir W. Fairbairn* 86——Disapproval of local or sectional boards with independent powers of action, *Fletcher* 199, 200. 209–212. 218–225. 229–241——Further statement opposed to local boards, witness recommending that the central board should act locally by means merely of a paid staff of inspectors and others, *ib.* 266–270. 306–317. 329–331. 337, 338. 374–376——Very efficient action of the Manchester Steam Users' Association, whereas witness objects to the formation of similar associations or boards locally, and prefers one board for the whole country, *ib.* 347–353. 370, 371. 380.

Proposal that the inspection and tests be carried out under the corporaton or local board of the district in which the boiler is situated, or under the county authorities in some cases, a competent engineer being kept for the purpose, *Richardson* 886–888. 897–899. 913–921. 960–962. 982–990. 1002–1004——Approval of the inspection being undertaken by the local authorities rather than by Government, *Richardson* 906–921. 936–941. 1015. 1020; *Nasmyth* 1180–1184.

Grounds for objecting to inspectors being appointed by municipal bodies or the county magistrates; more competent men to be appointed by the steam users, *Longridge* 1484–1491. 1515–1519. 1529–1531.

Suggestions in detail for the establishment of associations all over the country, like that at Manchester, and for the formation of a central board by means of members from the local boards; competent inspection to be thus secured, *Beyer* 2173 *et seq.*

Proposition that the local bodies throughout the country should appoint inspectors, subject to the approval of the Board of Trade; the latter should have power also to remove incompetent inspectors, *Robertson* 2287–2291. 2304, 2305. 2314.

See also *Central Board. Inspection,* 4, 5.

Locomotive Boilers. Increased test suggested for locomotive boilers, *Richardson* 994——Means of constructing locomotive boilers so that no grooving will take place, *Fletcher* 1599——Moderate expense at which locomotive boilers may be examined as regards grooving, *ib.* 1600——Very few locomotive boilers insured by witness's company, *Barker* 1654–1656.——*See* also *Railway Boilers.*

Longridge, Robert Bewick. (Analysis of his Evidence.)—Is a mechanical engineer, and is chief engineer and manager of the Boiler Insurance and Steam Power Company 1382–1384.—— Was chief engineer to the Steam Users' Association from 1855 to the end of 1858; explanation as to his reasons for leaving the Association 1385–1390——Statement of the number of proposals by boiler owners to the Boiler Insurance Company, and the proportion refused, through the owners not complying with the conditions required, or refusing to remedy the defects pointed out, 1391–1396. 1471–1474. 1534–1538.

Total of twenty explosions of boilers insured by witness's company; several causes to which attributable, 1397–1402——Inadequacy of inspection as a means of detecting deterioration in the tensile strength of the plates; conclusion that hydraulic pressure is also inadequate for the purpose, 1403, 1404. 1428, 1429. 1526. 1549–1565.

Importance of a check on the use of faulty material; approval of a requirement that the plates be marked with the maker's name, 1405, 1406. 1475–1477——Total of 12,688 boilers under the inspection of witness's company, 1407——Estimate of about 100,000 boilers in the country, 1408–1411——More competent men in charge where there are several boilers, than where there is only one, 1412——Average of about fifty explosions and eighty deaths annually, 1413–1418——Average of one explosion annually in every 4,600 boilers insured by witness's company, 1419, 1420——Number of explosions under different heads, 1421–1423.

Suggestion that one or more Government inspectors be appointed, who should investigate the cause of every explosion which occurs, and should have power to prosecute,

1426,

Report, 1870—*continued.*

Longridge, Robert Bewick. (Analysis of his Evidence)—*continued.*

1426, 1427. 1440 *et seq.*——Expediency also of applying Lord Campbell's Act in cases of culpable negligence, and of otherwise rendering boiler owners liable to heavy penalties and responsibilities, 1426. 1459, 1460. 1520–1525. 1527. 1570——Conclusion that compulsory inspection would not be necessary, and that voluntary inspection would soon become general, if owners were liable to prosecution and punishment, as suggested by witness, 1426 *et seq.*

Opinion that explosions may be reduced to one in 5,000 boilers by careful inspection, 1428——Total of seven explosions and nine deaths in the case of the Steam Users' Association, during 15 years, 1435, 1436——Uselessness of the fusible plug, when it becomes coated with deposit, 1437–1439——Unsatisfactory working of coroners' juries, 1440–1442——Incompetent persons sometimes in charge of boilers, 1447, 1448.

Advantage of inspection before boilers leave the works, and of manufacturers being held responsible: it should, however, be left to the purchasers to select their own inspectors, 1449–1457. 1466–1470. 1498–1507. 1527—Frequent explosions of boilers used in collieries and iron works, 1461, 1462——Main object of witness's company to prevent explosions rather than to make profit, 1463, 1464. 1541, 1542——Expediency of large powers in the proposed Government inspectors in stopping the use of boilers, 1479–1483——Grounds for objecting to inspectors being appointed by municipal bodies or the county magistrates; more competent men to be appointed by the steam users, 1484–1491. 1515–1519. 1529–1531.

Explanation as to the proposed power in the Government inspector to appoint men for examining boilers in certain cases, 1492–1497——Inducement to boiler owners to insure even if examination were compulsory, 1506–1514——Inadequacy of inspection as a check upon explosions through carelessness, these being numerous, 1526. 1547, 1548——Small charge for insurance over and above the cost of inspection, 1528.

Admission as to the great value of inspection, witness contending, however, that a compulsory Government system is not required nor desirable, 1537–1546. 1568–1570——Statement as to internal inspection not being necessarily made by witness's company before insuring each boiler, 1566, 1567——Explanations on the subject of grooving in boilers, this arising mainly from mechanical action, but being partly due to chemical causes, 1571–1586.

Loss of Life. Total of about 160 persons killed and wounded yearly by explosions, *Sir W. Fairbairn* 6–8——About 75 persons are killed yearly, *Fletcher* 132——Numerous instances of the destruction of life and property extending beyond the works where the explosions occur, *ib.* 133, 134. 175, 176——Loss of 922 lives in 11½ years, or about 80 lives annually, *Longridge* 1413–1415.

Statistics relative to the loss of life in different years, *App.* 115, 116.

See also *Railway Accidents.*

M.

McNaught, William. (Analysis of his Evidence.)—Long experience of witness as a practical and consulting engineer; he is now Chairman of the Manchester Boiler Insurance and Steam Power Company, 1243–1246——Explanation as to the origin of this company, and of the Steam Users' Association, respectively, 1247–1251. 1299–1302——Insurance by the company against small or partial damage to boilers as well as against explosions: much larger sums paid by the company for such damages than for explosions, the former being greatly more numerous, 1251, 1252. 1341–1343. 1351–1353.

Statement as to the value of the insurance element in causing boilers to be placed under inspection, there being about 12,500 boilers now insured and inspected by witness's company, 1253–1258——Refusal of about 15 or 20 applications in every 100: 1255, 1256. 1271. 1317, 1318. 1344–1346——Particulars relative to the inspection; competent staff employed for the purpose, 1259–1263. 1286–1288——Peculiarly few explosions of boilers inspected by the company, 1264–1266.

Opinion that efficient inspection throughout the country would prevent three-fourths of the explosions, 1267–1270——Examination favourable on the whole to inspection being made compulsory: that is, as preferable to no inspection at all, 1272–1285. 1294–1298. 1326–1340——Suggestion that competent persons be appointed by Government for attending coroners' inquests, who should act as public prosecutors, 1272. 1275–1284. 1319–1325. 1347–1350. 1356. 1371–1374. 1379, 1380.

Exceptions taken to Government inspection: expediency rather of using the machinery and staff of voluntary and local associations, as at Manchester, 1273. 1281. 1285. 1292, 1293. 1357–1370. 1375–1378——Advantage of increasing the responsibility of boiler-owners, as by an application of the provisions of Lord Campbell's Act, 1282. 1319–1325. 1355, 1356. 1358——Statement of the insurance rates charged by witness's company,

Report, 1870—*continued.*

McNaught, William. (Analysis of his Evidence)—*continued.*

and of the practice of insuring for loss of life as well as for damage, 1289, 1290. 1304–1316.

Doubt as to the effect of Government or compulsory inspection upon the operations of witness's company, 1292, 1293. 1335–1340——Importance of every boiler being inspected and certified before it is used, 1294–1298——Good dividends now paid by witness's company, 1303, 1304——Approval of the system of inspection of marine boilers being extended to other boilers, 1326–1334——Very large proportion of explosions arising from want of water, or from carelessness in some shape, 1351–1353——Fair average of the boilers (as regards quality) of the country insured by witness's company, 1354.

Magistrates (*Inspection of Boilers*). Proposal that on sworn information the justices might order an inspection of any boiler that was dangerous; persons likely to give such information, *Marten* 1787. 1804–1818.

Malconstruction. Original malconstruction adverted to, as causing many explosions, *Nasmyth* 1136; *Fletcher* 136, 137; *Penn* 423-431. 475, 476; *Hiller* 680. 683; *Richardson* 876–880——Particulars of explosions from defective stays, and from malconstruction in other ways, *Fletcher* 142——Obstacle, by means of inspection, to an avoidance of the danger from defective construction, *Nasmyth* 1173–1175——Advantage of an inspection before boilers are set up, in order to detect malconstruction, *Marten* 1738, 1739——Advantage if all boilers were made under inspection, as a check upon malconstruction; suggestions hereon, *Rideout* 2034. 2045. 2080, 2081. 2089. 2099.

Manchester Steam Users' Association. Formation several years ago of the Manchester Steam Users' Association, in accordance with suggestions by witness, as a means of providing a careful inspection of boilers, *Sir W. Fairbairn* 6——The association has been in operation since 1855, and is strictly voluntary, *ib.*——Details relative to the constitution and mode of operation of the association, there being about 2,000 boilers subject to its inspection, and the result being a complete immunity from explosions, *ib.* 6. 72–74. 80–82. 87–91. 103–111——Inspection of boilers in Ireland by the Manchester Association, *ib.* 111.

Illustration afforded by the inspection under the Manchester Association of the great value of a general inspection in detecting sources of danger and in preventing explosions, *Fletcher* 131. 177–184——Great pains taken by the association to obtain information as to the cause of explosions, and to disseminate such information as widely as possible, *ib.* 131——Exceptional instances of explosion in the case of boilers under the inspection of the association, *ib.* 178–180——The total explosions have averaged only one in 10,000 boilers per annum, *ib.* 180——Long distances to which inspectors are sent by the association, *ib.* 370, 371.

Very beneficial operation of the inspection by the Manchester Steam Users' Association, it being desirable to extend this system and to make it compulsory, *Penn* 441, 442. 447–455. 479–481——Beneficial operation generally of the Manchester Association, witness approving of an extension of the system as a means of providing universal inspection, *Anderson* 1042–1049. 1073–1078. 1107–1114——Beneficial testimony to the inspection exercised by the association, *Nasmyth* 1142, 1143.

Witness was chief engineer to the Steam Users' Association from 1855 till the end of 1858; explanation as to his reasons for leaving the association, *Longridge* 1385–1390——Total of seven explosions and nine deaths in the case of the Steam Users' Association, during 15 years, *ib.* 1435, 1436.

Explanation that the Steam Users' Association have had but one explosion during the last 572 years in respect of guaranteed boilers; occurrence also of one explosion of an unguaranteed boiler, *Fletcher* 1588–1595—— Unfairness of debiting the Association with explosions where the boilers are unguaranteed; very few such boilers, *ib.* 1590, 1591. 1596——Application of all the receipts of the association to inspections and scientific investigations, *ib.* 1591–1593.

See also *War Department.*

Manholes. Occurrence of many explosions through weak manholes, the plates not being strengthened round the opening with a substantial mouthpiece, *Fletcher* 139–141.

Marine Boilers. Information relative to, and approval of, the Government inspection of marine boilers, *Penn* 456–474. 478——The inspectors are appointed by the Board of Trade at the principal ports, *ib.* 457. 463, 464——Belief that there is a quarterly inspection, *ib.* 478——Approval of the system of inspection of marine boilers being extended to other boilers, *McNaught* 1326–1334.

Particulars relative to the inspection to which marine boilers are subjected by the officers of the Board of Trade, the inspection being compulsory only as regards passenger vessels, *Galloway* 1876–1883. 1887–1889. 1923–1926——Rare instances of explosion of marine boilers; particulars of some which have occurred, *ib.* 1889–1898. 1939–1942.

Report, 1870—*continued.*

Marine Boilers—continued.

1939–1942. 1988–1990. 2006–2008——Advantage of the Board of Trade inspection as not relieving the owners from responsibility, it not being compulsory, save in the case of passenger vessels, *ib.* 1898. 1901 *et seq.*——Improvement if the inspection were once a year instead of every six months, so as to be more thorough, *ib.* 1899, 1900.

Practice of inspection of marine boilers; improvement if all steam-vessels, as well as passenger vessels, were subject to inspection, *Robertson* 2323–2326. 2350–2358

Marten, Edward Bindon. (Analysis of his Evidence.)—Is chief engineer to the Midland Steam Boiler Inspection and Insurance Company, 1734, 1735——Beneficial operation of the company, 1736. 1776–1782—— Difficulty in judging whether explosions generally are on the increase or decrease, 1737——Advantage of an inspection before boilers are set up, in order to detect malconstruction, 1738, 1739——Instance of explosion of a cylindrical boiler after some repairs had been done, 1740–1744.

Statistics of explosions since the year 1800; particulars more especially relative to the explosions within the last four years, and their causes, 1745–1756——Estimate of 100,000 boilers in the country, 1752. 1796, 1797——Number and character of the inspections made by witness's company, 1757–1765. 1795. 1819–1827. 1842–1845——System of inspection without insurance, and rate of charge in such case, 1766–1775. 1819–1832.

Grounds for objecting to a compulsory or Government inspection of boilers; difficulty as to the mode of carrying it out, 1783–1786. 1792. 1800. 1846–1855——Benefit anticipated from a recommendation by the Committee in favour of periodical inspection, 1786, 1787. 1800–1803——Suggestion that each explosion be reported on by two independent engineers or inspectors; approval of these being appointed by the local authorities rather than by Government, 1787. 1790–1794. 1856–1873——Advantage of power to use the evidence of the proposed engineers at coroners' inquests, 1787. 1856–1858.

Proposal that on sworn information the justices might order an inspection of any boiler that was dangerous; persons likely to give such information, 1787. 1804–1818—— Approval of a penalty for non-compliance with the instructions laid down, 1790—— Statement as to inspection without insurance being less effectual than with insurance, there being more power over the boilers in the latter case, 1819–1841.

Materials. Construction of Boilers. See *Malconstruction. Iron Plates.*

Midland Steam Boiler Inspection and Insurance Company. Origin of this company in order to extend the advantages of inspection and insurance to the boilers used in the South Staffordshire iron and coal trade; subsequent extension of the company to the Cleveland district, *Barker* 1603. 1608–1611.——Total of about 3,000 boilers insured by the company, about 1,000 of which are owned by the directors, *ib.* 1604–1607——Particulars relative to three explosions of boilers insured by the company, *ib.* 1612, 1613. 1629–1633—— Estimate of about 20,000 boilers in the districts dealt with by the Midland Company, of which 3,000 only are insured and inspected by the company, *ib.* 1643–1645——Insurance rates of the company adverted to; very small profits divided, this being a secondary consideration, *ib.* 1649–1651. 1662, 1663.

Beneficial operation of the company as tending to reduce the number of explosions in the district where it works, *Marten* 1736. 1776–1782 ——Information relative to the number and character of the inspections made by the company, one thorough inspection being insisted on as a condition of insurance, *ib.* 1757–1765. 1795. 1819–1827. 1842–1845.

N.

Nasmyth, James. (Analysis of his Evidence.)—Has had great experience as an engineer and boiler maker, 1132–1134 —— Enumeration of six different heads under which boiler explosions arise, it being possible, in the great majority of cases, to prevent explosion by means of inspection, 1135 *et seq.*—— Frequency of explosions from corrosion, which often results from unseen or inaccessible leakage; suggestions for the detection and removal of this source of danger, 1136. 1143–1154. 1158–1172. 1200–1202—— Occurrence of many explosions from defective repairs, 1136, 1137.

Original malconstruction adverted to as causing many explosions, 1136—— Great danger from the use of defective materials, such as inferior and brittle iron, in the boiler plates and rivets, 1136, 1137——Frequency of bad workmanship in rivetting and putting plates together, this being a further cause of explosions, 1137. 1151–1154. 1156, 1157 ——Dangerous results of short supply of water, both directly and indirectly, 1137. 1192 Over-pressure adverted to as a further source of danger, 1137.

Expediency of the owners of boilers being under the strongest possible pressure, in the shape of self-interest, to carry out an efficient inspection, 1138–1141. 1176–1178. 1185, 1186——Necessity of the inspection being compulsory, 1140. 1179 —— Beneficial inspection exercised by the Manchester Steam Users' Association, 1142, 1143——Severe test suggested

Report, 1870—*continued.*

Nasmyth, James. (Analysis of his Evidence)—*continued.*

suggested by means of water-pressure; consideration of the mode of applying this test, 1147–1150. 1187–1191. 1200–1210.

Considerable difficulty, by means of inspection, in always detecting corrosion or leakage, 1152–1154. 1170–1172. 1201——Definition of the class of boilers desirable to be placed under inspection, 1155——Difficulty in accounting for the grooving or corrosion which shows itself in the plates; opinion that it arises from chemical rather than mechanical action, 1162–1172. 1218–1229——Obstacle, by means of inspection, to an avoidance of the danger from defective construction, 1173–1175.

Approval of the inspection being undertaken by the local authorities rather than by Government, 1180–1184——Advantage of rules being laid down, and of penalties for their infraction, 1184. 1211——Possibility of explosion through vibration arising when the steam is being let out of the boiler at the starting of the engine, 1192–1199——Expediency of responsibility attaching to the boiler maker as well as the boiler user, 1213–1217——Decided objection to compulsory insurance as a means of safety, 1230, 1231——Approval of compulsory inspection of railway engines; suggestion as to the test desirable, 1232–1241.

National Boiler Insurance Company. Explanation of the charges of witness's company for insurance of boilers, there being an enhanced charge where the pressure is above 40 lbs. for the inch, *Thompson* 508–514. 526–539——Particulars relative to the number and character of the inspections made by the company, there being always an inspection of each boiler before insurance, and three or four inspections during the year, *ib.* 515–517. 521–523. 540–543. 571–574. 603–607. 613. 638–641——System of inspection, without insurance, for which the company charge from 15 *s.* to 18 *s.* per boiler per annum, including about three visits from the inspector, *ib.* 518–520.

Total of 2,000 boilers now insured by the company, the number having decreased of late, *Thompson* 524, 525. 589, 590——Responsibility of the company to the extent of the insurance, for damage done by explosions to surrounding property, *ib.* 537. 539——Inspection by the company of boilers over the whole country; particulars hereon as to the inspecting staff, and the expenses of inspection, *ib.* 544. 591–608. 618–620——Good dividends paid by the company, there being also a reserve fund, *ib.* 545–551. 646–650.

Circumstance of about half the shareholders in the company being steam users, *Thompson* 569, 570——Absence of liability for loss of life, *ib.* 609–612——The boilers are not always thoroughly inspected internally every year, *ib.* 573——Occurrence of an explosion last year, in the case of a boiler insured and inspected by the company; this was through carelessness as to the water, *ib.* 614–617——Total of three serious explosions, in six years, of boilers insured by witness's company, *ib.* 642——Calculation that the explosions are less than one in 1,000 boilers annually, *ib.* 665–672.

Practice generally of witness's company not to insure beyond 500 *l.*, *Hiller* 764, 765——Valuable operation of the company in preventing explosions and loss of life, *ib.* 772——Information relative to an explosion near Middleton, in which case the boiler had been accepted for insurance by witness's company at 60 lbs. pressure, but through some difficulty as to a thorough inspection the insurance was withdrawn, *ib.* 787–801. 826–832——Reference to certain inspection reports, as showing the character of the inspections, *ib.* 832——Doubt as to the actual number of thorough inspections made by the company; considerable number of insured boilers not yet thoroughly inspected, *ib.* 839–848.

New Boilers. Proposal that all new boilers be tested by the makers, who should give a certificate, to be checked by subsequent official inspection, *Richardson* 997–1002——Advantage of inspection before boilers leave the works, and of manufacturers being held responsible; it should, however, be left to the purchasers to select their own inspectors, *Longridge* 1449–1457. 1466–1470. 1498–1507. 1527——Approval of inspection of new boilers before they are set up, *Marten* 1738, 1739——Proposal that surveyors or inspectors appointed directly by the Board of Trade should examine and certify every new boiler before it is used, *Robertson* 2287. 2290. 2300, 2301. 2308–2316. 2349. 2372, 2373.

Number of Boilers. Enhanced importance of preventive measures since boilers have been so universally adopted, *Fletcher* 134——Estimate of about 100,000 boilers in the country, *Fletcher* 181, 182; *Longridge* 1408–1411; *Marten* 1752. 1796, 1797.

Number of Explosions. Average of about fifty explosions in England annually, whereby about 160 persons are killed and wounded, *Sir W. Fairbairn* 6–8——Statistics of explosions recorded by the Manchester Steam Users' Association from 1855 till 1869, *Fletcher* 131–135——There are now about fifty explosions annually, killing about seventy-five persons, and injuring as many more, *ib.* 132——Average of about fifty explosions and eighty deaths annually, *Longridge* 1413–1418——In 1869 there were sixty-three explosions, *ib.* 1421——Difficulty in judging whether explosions generally are on the increase or decrease, *Marten* 1737.

Tabular

Report, 1870—*continued.*

Number of Explosions—continued.

Tabular statement of explosions from 1st January 1870, to 18th June 1870, showing the description of boiler, and the number of persons killed or injured in each case, *App.* 115.

Table showing the number of explosions recorded by the Manchester Steam Users Association from the commencement of 1855 to the end of 1869, together with the number of persons killed, and the number injured in each year, *App.* 116.

O.

Owners of Boilers. Circumstance of owners of inferior boilers holding aloof from inspection by the Manchester Association, *Fletcher* 281–286——The owners of boilers are often culpable in not applying proper supervision, *Thompson* 506——It should be imperative on steam users to report defects, *Richardson* 892. 973, 974——Objection to the inspection being controlled by the steam users, instead of by the local authorities, *ib.* 977, 978. 982–990.

Expediency of the owners of boilers being under the strongest possible pressure in the shape of self-interest, to carry out an efficient inspection, *Nasmyth* 1138–1141. 1176–1178. 1185, 1186.——Efficient inspection already carried out by numerous steam users, there being however very many who do not take proper precautions; question hereon whether a compulsory system is not desirable as regards the latter, *Barker* 1618. 1623; *et seq.*

Immunity of witness's boilers from explosion, owing to the great care taken, and the employment of competent managers, *Rideout* 2027–2032——Opinion as to an inspection by the Steam Users Association, or by any strange inspector, being of little use, in witness's case, *ib.* 2071, 2072. 2085–2087. 2129, 2130——Careful inspection exercised by witness's firm; assistance derived also from the Steam Users Association, *Beyer* 2163–2168.

See also *Central Board.* *Compensation.* *Cost of Inspection.* *Manchester Steam Users Association.* *Responsibility.*

P.

Penalties. Approval of several penalties under a system of compulsory inspection, if uninspected boilers are used, *Thompson* 557, 558. 628–630——Necessity of penalties in connection with the proposed inspection, *Hiller* 719; *Richardson* 891. 975, 976; *Marten* 1790——Proposed penalty of 100 *l.* in the event of owners using uncertificated boilers, *Robertson* 2298, 2299. 2369–2371.

Penn, John. (Analysis of his Evidence.)—Malconstruction of boilers and carelessness of management adverted to as causing the chief explosions which occur, 423–431. 475, 476——Conclusion that compulsory inspection would prevent the great majority of explosions, witness not being prepared however to suggest how such inspection should be carried out, 432 *et seq.*——Very beneficial operation of the inspection by the Manchester Steam Users Association, it being desirable to extend this system and to make it compulsory, 441, 442. 447–455. 479–481——Information relative to, and approval of the Government inspection of marine boilers, 456–474. 478.

Plans. Advantage if there were plans or diagrams for public inspection in each town, showing full details in connection with each boiler, *Richardson* 947. 1002.

Platt Brothers & Co. There are about forty boilers in use by the firm, no explosion having ever occurred, *Richardson* 874, 875.

Pressure. See *High Pressure.*

R.

Railway Accidents. The deaths from explosions are far in excess of those from railway accidents, where the latter arise from circumstances beyond the passengers control, *Fletcher* 132——Much larger number of deaths from railway accidents, than from boiler explosions, *Barker* 1705–1709.

Return of the number of railway passengers killed and injured by circumstances beyond their control in each year, from 1865 to 1869 inclusive, as compared with the deaths from explosions in the same period, *App.* 117.

Railway Boilers. Difficulty as to a systematic or public inspection of railway or locomotive boilers, it being desirable to leave the inspection with the companies, *Hiller* 854–856.

Report, 1870—*continued.*

Railway Boilers—continued.

861–865——Approval of compulsory inspection of railway engines; suggestion as to the test desirable, *Nasmyth* 1232–1241——Opinion that there is already an efficient inspection of railway or locomotive boilers, *Beyer* 2157–2162. 2196–2201. 2258, 2259; *Robertson* 2306, 2307. 2359.

Re-appointment of Committee. Recommendation that the Committee be re-appointed early next Session, in order to complete the inquiry and report thereon, *Rep.* iii.

Registration of Boilers. Conclusion favourable to a compulsory registration of all boilers, and of certain arrangements in connection therewith for insuring inspection, *Thompson* 552–556. 575–583. 626–637; *Hiller* 712–718——Objection to a compulsory registration of boilers, *Galloway* 1943——Suggestions for a registration of every boiler, *Rideout* 2045. 2073–2079——Advantage of all boilers being registered, and of inspection before registration, *Beyer* 2195. 2244, 2245——Advantage of a register at the Board of Trade of all new boilers, *Robertson* 2288. 2321, 2322.

Repairs. Occurrence of many explosions from defective repairs, *Nasmyth* 1136, 1137.

Reports. Contemplated report by the local inspection authorities to the Board of Trade, *Richardson* 963–966. 1015–1020.

Suggestion that each explosion be reported on by two independent engineers and inspectors; approval of these being appointed by the local authorities rather than by Government, *Marten* 1787. 1790–1794. 1856–1873.

Responsibility. Question of responsibility considered in connection with a system of compulsory inspection, *Sir W. Fairbairn* 42–49. 63–71. 182; *Fletcher* 228. 242–252——Grounds for objecting to Government taking the responsibility of inspection, *Hiller* 720, 721. 740–746. 761–763. 766–770——Expediency of responsibility attaching to the boiler maker as well as the boiler user, *Nasmyth* 1213–1217——Advantage of increasing the responsibility of boiler owners, as by an application of the provisions of Lord Campbell's Act, *McNaught* 1282. 1319–1325. 1355, 1356. 1358; *Longridge* 1426. 1459, 1460. 1520–1525. 1527. 1570.

Way in which compulsory inspection is undesirable as interfering with the owner's responsibity, *Galloway* 1901 *et seq.* 1969–1979; *Rideout* 2046. 2050. 2070–2073. 2091–2098——Increased liability or responsibility contemplated in the event of explosions of boilers not inspected or certified; at the same time the certificate should not exempt from responsibility, *Galloway* 1908. 1912, 1913. 1918–1922. 1932–1938. 1950–1952. 1973——Explanation that the proposed inspection should not relieve the owner from any responsibility, *Robertson* 2292, 2293. 2340–2345.

See also *Inspection. Owners.*

Richardson, William. (Analysis of his Evidence.)—As one of the firm of Platt Brothers & Co., and as a member of the Steam Users Association, has had considerable experience on the subject of boilers, 869–875——Origin of explosions chiefly from weakness in the boiler, and from inattention, 876–880——Suggestion for testing boilers by hydraulic pressure at fifty per cent. above the working pressure; detection thereby of any weakness or defect likely to cause explosion, 881, 882. 884. 889, 890. 928–935. 967, 968. 991–996——Expediency also of a thorough inspection, inside and outside, every year, 883, 884. 892. 972–974.

Necessity of compulsory regulations, 885, 954——Proposal that the inspection and test be carried out under the corporation or local board of the district in which the boiler is situated, or under the county authorities in some cases, a competent engineer being kept for the purpose, 886–888. 897–899. 913–921. 960–962. 982–990. 1002–1004——Necessity of penalties in connection with the proposed inspection, 891. 975, 976——The owners of the boilers should pay the cost of inspection, 894——Estimate of 10*s.* per boiler per annum as the average cost of inspecting and testing the boilers in Oldham, 900–905. 992–997. 1005–1011.

Objections to central or Government control of the proposed inspection, it being much better to leave the matter to the local authorities, 906–921. 936–941. 1015–1020——Suggestion as regards the making of rules and regulations for inspection, to be sanctioned by the Board of Trade, 936–941. 1004——Exceptions taken to the operation of steam-boiler insurance associations, as regards the matter of inspection, 942–945. 979–981.

Occurrence of several accidents from corrosion in the setting of boilers, 946–948——Advantage if there were plans or diagrams for public inspection in each town, showing full details in connection with each boiler, 947. 1002——Limited time necessary for inspection by competent persons, 949–953——Preventible character of a very large number of explosions, 955——Necessity, where there is only one boiler, of stopping work whilst internal inspection is being made, 956–959.

Contemplated report by the local authorities to the Board of Trade, 963–966. 1015–1020——Suggestion that no boiler be used, save it be licensed by the local authority, 969–971

Report, 1870—*continued.*

Richardson, William. (Analysis of his Evidence)—*continued.*

969-971——Objection to the inspection being controlled by the steam users, instead of by the local authorities, 977, 978. 982-990——Increased test suggested for locomotive boilers, 994.

Proposal that all new boilers be tested by the makers, who should give a certificate, to be checked by subsequent official inspection, 997-1002——Suggestion for preventing the use of inferior iron or plates in construction, 1002——Explanation as to the less cost of the proposed inspection than of that carried out by the Steam Users Association, 1005-1014.

Rideout, William Jackson. (Analysis of his Evidence.)—Is owner of extensive paper mills in Lancashire: has twenty-one boilers at his different works, 2021-2026——Immunity of these boilers from explosion, owing to the great care taken and the employment of competent managers, 2027-2032——Ample provision of safety valves and water gauges, 2032. 2058——Uselessness of fusible plugs when incrustation forms, 2033.

Advantage if all boilers were made under inspection; suggestions hereon, 2034. 2045. 2080, 2081. 2099——Means by which witness is enabled to gauge the thickness of plates and to detect whether they have become deteriorated by corrosion, 2035-2039. 2059-2061——Objection to using the water test at double the working pressure, 2040, 2041.

Suggestions for a registration of every boiler, 2045. 2073-2079——Proposal that all stokers and attendants be examined and certified, and that any subsequent misconduct be marked on the certificate; how the examination might be conducted, 2045. 2062, 2063. 2068, 2069. 2088. 2090. 2102-2119——Evidence opposed to a compulsory periodical inspection of boilers, as beset with many difficulties, and as interfering with the owners' responsibility, 2046. 2050. 2070-2073. 2091-2098.

Practical men necessary for inspectors: how they might be appointed, 2046. 2100, 2101. 2122-2131. 2138——Refusal of witness to insure his boilers: tendency of insurance to lead to explosions, 2047-2049——Long period for which some of witness's boilers have worked without deterioration of the plates, 2051-2057.

Means of examination of boilers embedded in brickwork, &c., 2064-2087——Opinion as to an inspection by the Steam Users Association, or by any strange inspector, being of little use in witness's case, 2071, 2072. 2085-2087. 2129, 2130——Expediency of inspection during the erection of boilers, 2099——Further suggestions on the subject of managers and stokers being certificated: expediency of some exceptions being allowed to this rule, 2119, 2120. 2132-2137. 2139-2150.

Robertson, Captain Robert, R.N. (Analysis of his Evidence, &c.)—Is Surveyor General of Steam Vessels under the Board of Trade, 2278, 2279——Considers that many boiler explosions may be prevented by inspection, and that compulsory periodical inspection should be applied, 2280-2285. 2349, 2350——Proposed compulsory inspection once a year, a certificate being given for a year, 2286. 2295. 2308——Suggestion that the local bodies throughout the country should appoint inspectors, subject to the approval of the Board of Trade: the latter should have power also to remove incompetent inspectors, 2287-2291. 2304, 2305. 2314.

Proposal that surveyors or inspectors appointed directly by the Board of Trade should examine and certify every new boiler before it is used, 2287. 2290. 2300, 2301. 2308-2316. 2349. 2372, 2373——General supervision proposed to be exercised by the Board of Trade, rules and regulations being laid down, and a register being kept of all boilers, 2287-2290. 2302, 2303. 2321, 2322. 2349——Explanation that the proposed inspection should not relieve the owner from any responsibility, 2292, 2293. 2340-2345.

Suggestion that the inspectors be paid by means of fees to be charged for each survey; practice hereon in the survey of marine boilers, 2294-2297. 2327, 2328. 2346-2348. 2374-2376——Proposed penalty of 100 *l.* in the event of owners using uncertificated boilers, 2298, 2299. 2369-2371——Efficient inspection already in the case of railway or locomotive boilers, 2306, 2307. 2359——Necessity of survey in the case of agricultural boilers, 2307. 2360-2365.

Difficulty of an annual inspection in some instances, as where there is only one boiler in use, 2317-2320——Practice of inspection of marine boilers; improvement if all steam vessels, as well as passenger vessels, were subject to inspection, 2323-2326. 2350-2358——Doubt as to the expediency of requiring an examination of the men in charge of boilers, 2329-2339.

Rules and Regulations. Suggestions as regards the making of rules and regulations for inspection, to be sanctioned by the Board of Trade, *Richardson* 936-941; *Robertson* 2302——Reference to some rules in force as regards the War Office boilers, which might be adopted generally, *Anderson* 1039, 1040. 1050.

S.

Safety Valves. Instances of bad safety-valves, and bad water gauges, as having caused explosions, *Fletcher* 142–148——Liability to explosion where the safety valve is bad, *Hiller* 691——Control exercised as regards the safety valves to marine boilers, *Galloway* 1883——Ample provision of safety valves and water gauges for witness's boilers, *Rideout* 2032, 2033——Precaution suggested on the subject of safety-valves, *Robertson* 2316.

Setting of Boilers. Great importance of a check upon the materials used in construction, and upon the setting up of the boiler before it is used, *Hiller* 810–823——Occurrence of several accidents from corrosion in the setting of boilers, *Richardson* 946–948——Expediency of inspection during the erection of boilers, *Rideout* 2099——Belief that many explosions take place from defective erection, *ib.*

Small Boilers. Importance of an inspection of small boilers as well as of large ones, *Fletcher* 340–346. 367–369.

Steam Users. See *Central Board. Manchester Steam Users Association. Owners of Boilers. National Boiler Insurance Company.*

Stokers. See *Attendants.*

Stoppage of Works. Necessity, where there is only one boiler, of stopping the works whilst internal inspection is being made, *Richardson* 956–959——Difficulty of an annual inspection in some instances, as where there is only one boiler in use, *Robertson* 2317–2320.

Sunday Inspection. Exceptional instances of Sunday inspection by witness's company, *Hiller* 866, 867.

T.

Testing of Boilers. Expediency of not testing boilers much in excess of their working pressure, *Sir W. Fairbairn* 53–58. 126——Contemplated testing of boilers by hydraulic pressure before leaving the maker's yard, *Fletcher* 177——Suggestion for testing boilers by hydraulic pressure at fifty per cent. above the working pressure; detection thereby of any weakness or defect likely to cause explosion, *Richardson* 881, 882. 884. 889, 890. 928–935. 967, 968. 991–996.

Severe test suggested by means of water pressure; consideration of the mode of applying this test, *Nasmyth* 1147–1150. 1187–1191. 1200–1210——Conclusion as to the inadequacy of hydraulic pressure as a means of detecting deterioration in the plates, *Longridge* 1551–1565——Objection to using the water test at double the working pressure, *Rideout* 2040, 2041.

Thompson, Charles, J. P. (Analysis of his Evidence.)—Is chairman of the National Boiler Insurance Company, at Manchester, which has been in operation since 1864; 489, 490——Considers that careful periodical inspection would prevent nearly all the explosions occurring from carelessness and from neglect to remedy defects, 491–497. 506, 507——Submits that the system of insurance, as involving inspection, is a legitimate and useful mode for the prevention of explosions, 498–505——The owners of boilers are often culpable in not applying proper supervision, 506.

Explanation of the charges of witness's company for insurance of boilers, there being an enhanced charge when the pressure is above 40 lbs. to the inch, 508–514, 526–539——Particulars relative to the number and character of the inspections made by the company, there being always an inspection of each boiler before insurance, and three or four inspections during the year, 515–517. 521–523. 540–543. 571–574. 603–607. 613. 638–641——System of inspection, without insurance, for which the company charge from 15*s.* to 18*s.* per boiler per annum, including about three visits from the inspector, 518–520.

Total of about 2,000 boilers now insured by the company, the number having decreased of late, 524, 525. 589, 590——Responsibility of the company, to the extent of the insurance, for damage done by explosions to surrounding property, 537. 539——Inspection by the company of boilers over the whole country: particulars hereon as to the inspecting staff, and the expenses incurred in inspection, 544. 591–608. 618–620——Good dividends paid by the company, there being also a reserve fund, 545–551. 646–650.

Conclusion favourable to a compulsory registration of all boilers, and of certain arrangements in connection therewith for insuring inspection, 552–556. 575–583. 626–637——Approval of several penalties, under a system of compulsory inspection, if uninspected boilers are used, 557, 558. 628–630——Instances of boilers being worked after their insurance has been refused by witness's company; practice of the company as to declining insurance if their requirements are not complied with, hazardous risks not being taken, 559–568. 648, 649. 655–662.

Report, 1870—*continued.*

Thompson, Charles J. P. (Analysis of his Evidence)—*continued.*

Circumstance of about half the shareholders in the company being steam users, 569, 570——Suggestion as to the provision of certified inspectors under a compulsory system, 575-583. 586. 633-637——Small proportion of boilers inspected out of the total number in the country, 584-588——Calculation that each boiler costs witness's company from 12*s.* 6*d.* to 15*s.* a year in inspection, 591-602. 608. 673——Absence of liability for loss of life, 609-612.

Occurrence of an explosion last year in the case of a boiler insured and inspected by the company; this was through carelessness as to the water, 614-617——Several boiler insurance associations at Manchester, 621-623——Objection to a central inspection control in London, 624, 625——Total of three serious explosions, in six years, of boilers insured by witness's company, 642.

Value of a patent plug used by the company in preventing explosions from shortness of water, 642. 663, 664——Amount of compensation paid by the company, 643——Recent explosion near Chadderton, the insurance having previously fallen through, 644, 645. 651-658——Calculation that the explosions are less than one in 1,000 boilers annually in the case of witness's company, 665-672.

V.

Vibration. Possibility of explosion through vibration arising when the steam is being let out of the boiler at the starting of the engine, *Nasmyth* 1192-1199.

Voluntary Inspection. See *Inspection*, 3, 4. *Local or Municipal Inspection. Manchester Steam Users Association.*

W.

War Department. As superintendent of machinery to the War Department, witness explains the careful system adopted in testing and inspecting the boilers of the department, the result being an immunity from explosions, *Anderson*, 1022 *et seq.*——Thorough inspection, yearly or oftener, of the War Department boilers by the Manchester Steam Users Association, an annual fee of three guineas being paid for each boiler: importance attached to this inspection, in addition to the test and inspection by the department, *ib.* 1030, 1031. 1038. 1043, 1044. 1049. 1079-1085. 1103-1106. 1112-1125——Test of each boiler at double the working pressure after every 500 hours, *ib.* 1030-1034. 1092-1102——Competent men by whom the departmental inspection is carried on, *ib.* 1069-1072——Frequent detection of defects in the War Department boilers, which, but for inspection, would cause explosions, *ib.* 1116, 1117.

Water Gauges. Occurrence of some explosions through the water gauges being fixed too low, *Hiller* 692.

Water Supply. Comparatively few explosions through the water being allowed to run short, *Fletcher* 136, 137——Probability of explosions which occur when the engine has just started being due to lowness of water, *Henderson* 1066, 1067——Dangerous results of short supply of water, both directly and indirectly, *Nasmyth* 1137. 1192——Very large proportion of explosions arising from want of water, or from carelessness in some shape, *McNauyht* 1351-1353.

See also *Fusible Plug.*

Workmanship. Frequency of bad workmanship in rivetting and putting plates together, this being one cause of explosions, *Nasmyth* 1137. 1151-1154. 1156, 1157.

INDEX

TO THE

REPORT

FROM THE

SELECT COMMITTEE

ON

STEAM BOILER EXPLOSIONS.

Ordered, by The House of Commons, *to be Printed,*
21 *July* 1870.

370. *Under* 3 *oz.*

REPORT

FROM THE

SELECT COMMITTEE

ON THE

TELEGRAPH ACTS EXTENSION BILL:

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

AND

MINUTES OF EVIDENCE.

Ordered, by The House of Commons, *to be Printed,*
5 *July* 1870.

Friday, 10*th June* 1870.

Ordered, That the Telegraph Acts Extension Bill be read a second time, and committed to a Select Committee.

Monday, 20*th June* 1870.

Ordered, That the Select Committee do consist of Seven Members:—Marquis of Hartington, Sir Stafford Northcote, and Five to be nominated by the Committee of Selection.

Tuesday, 21*st June* 1870.

The following Members are added by the Committee of Selection to the Select Committee on the Telegraph Act Extension Bill:—

Sir Lawrence Palk.
Mr. Hurst.
Mr. Neville-Grenville.
Mr. J. D. Lewis (Devonport).
Mr. Muntz.

Monday, 27*th June* 1870.

Ordered, That all Petitions presented on or before Monday, the 27th instant, against the Telegraph Acts Extension Bill, be referred to the Select Committee on the said Bill; and that such of the Petitioners as pray to be heard by themselves, their Counsel, or Agents, be heard upon their Petitions, if they think fit, and Counsel heard in favour of the Bill against the said Petitions.

Ordered, That the Committee have power to send for Persons, Papers, and Records.

Ordered, That Three be the Quorum of the Committee.

Friday, 1*st July* 1870.

Ordered, That the Petition of the Jersey Railway Company [presented 29th June], praying to be heard by Counsel against the Bill, be referred to the Select Committee on the Bill.

Monday, 4*th July* 1870.

Ordered, That the Parties appearing before the Select Committee on the Telegraph Acts Extension Bill, have leave to print the Minutes of the Evidence taken before the Committee day by day, from the Committee Clerk's Copy, if they think fit.

Tuesday, 5*th July* 1870.

Ordered, That the Committee have power to report the Minutes of Evidence taken before them to the House.

REPORT - - - - - - - - - - - - p. iii
PROCEEDINGS OF THE COMMITTEE - - - - p. iv
MINUTES OF EVIDENCE - - - - - - - - p. 1

REPORT.

THE SELECT COMMITTEE on the TELEGRAPHS ACTS EXTENSION BILL have considered the said Bill and taken Evidence thereon, which they have agreed to Report to the House; and have examined the Allegations of the Bill and found the same to be true, and have gone through the Bill, and made Amendments thereunto.

5 *July* 1870.

PROCEEDINGS OF THE COMMITTEE.

Friday, 1*st July* 1870.

MEMBERS PRESENT:

The Marquis of Hartington.	Mr. Hurst.
Sir Stafford Northcote.	Mr. Muntz.
Sir Lawrence Palk.	Mr. J. D. Lewis (Devonport).
Mr. Neville-Grenville.	

The MARQUIS of HARTINGTON was called to the Chair.

TELEGRAPH ACTS EXTENSION BILL.

Preamble read the first time.

Counsel:—Mr. *Denison*, Mr. Serjeant *Sargood*, Mr. *C. J. Simpson*, and Mr. *T. W. Wheeler*.

Agent:—Messrs. *Wyatt & Co.*

The following Petitions were read:—

1. Submarine Telegraph Company.

   Counsel:—Mr. *Merewether*.

   Agent:—Messrs. *Dorington*.

2. Channel Islands Company.

   Counsel:—Mr. *Webster*.

   Agent:—Messrs. *Manning & Co.*

3. William Thomas Henley.

   Counsel:—Mr. *Bidder*.

   Agent:—Mr. *Gale*.

4. Jersey and Guernsey Company (Limited).

   Counsel:—Mr. *Johnson*, and Mr. *Ledgard*.

   Agent:—Messrs. *Wilson & Co.*

Mr. *Denison* was heard to open the case in support of the Preamble, and to object to the *locus standi* of the Channel Islands Company.

Mr. *Merewether* was heard in support of the Petition of the Submarine Telegraph Company and submitted a Clause, and called Mr. *Stephen M'Donnell Clare*, who was examined.

Mr. Serjeant *Sargood*, in support of the Preamble, called Mr. *Frank Ives Scudamore*.

Room cleared.—The Committee deliberated.

Preamble read a second time and verbally amended.

Question, That the Preamble as amended is proved,—put, and *agreed to*.

The Committee decided that they could not agree to the Clause submitted by Mr. Merewether.

Parties called in and informed thereof.

Adjourned till Monday next, at Eleven o'clock.

Monday, 4th July 1870.

MEMBERS PRESENT:

The MARQUIS of HARTINGTON in the Chair.

Sir Stafford Northcote.	Mr. J. D. Lewis (Devonport).
Mr. Neville-Grenville.	Sir Lawrence Palk.
Mr. Muntz.	Mr. Hurst.

Jersey Railway Company:—

Counsel:—Mr. *Freeman.*

Agents:—*Tilleard & Co.*

Mr. *Webster* was heard in support of the *locus standi* of the Channel Islands Company, and called—

Mr. *David De Quetteville,* and Mr. *Frederick William Lewis,* who were severally examined.

Mr. Serjeant *Sargood* was heard in reply.

Room cleared.—The Committee deliberated, and determined that the *locus standi* of the Channel Islands Company was not proved to their satisfaction.

Parties called in, and informed thereof.

Mr. *Johnson* was heard in support of the Petition of the Jersey and Guernsey Company, and submitted a Clause for the consideration of the Committee.

Mr. Serjeant *Sargood* was heard on behalf of the Promoters of the Bill.

Mr. *Johnson* was heard in reply.

The Committee decided that they could not agree to the proposed Clause.

Mr. *Bidder* was heard on behalf of William Thomas Henley, and submitted a Clause.

[Adjourned till To-morrow, at Eleven o'clock.

Tuesday, 5th July 1870.

MEMBERS PRESENT:

The MARQUIS of HARTINGTON in the Chair.

Mr. Neville-Grenville.	Mr. J. D. Lewis (Devonport).
Mr. Lawrence Palk.	Mr. Hurst.
Mr. Muntz.	

Mr. *Bidder* on behalf of the Petition of William Thomas Henley, called—

Mr. *Nathaniel John Holmes,* who was examined.

Mr. *David De Quetteville,* who was further examined; re-called.

Mr. *William Thomas Henley*, who was examined.

Mr. *Nathaniel John Holmes*, who was further examined; re-called.

Mr. *William Henry Preece*, who was examined.

Mr. *Frank Ives Scudamore*, who was further examined; re-called.

The Committee decided that they could not agree to the proposed Clause.

Mr. *Freeman* was heard in support of certain Clauses on behalf of the Jersey Railway Company, and called Mr. *William Henry Lefeuvre*, C.E., who was examined.

The Committee decided against the admission of the proposed Clauses.

The Committee went through the Bill, Clause by Clause, and made amendments.

Several new Clauses added.

Schedule considered, amended, and *agreed to*.

Ordered, "That the Bill, as amended, together with the Minutes of Evidence, be reported to the House."

MINUTES OF EVIDENCE.

LIST OF WITNESSES.

Friday, 1*st July* 1870.

	PAGE
Mr. Stephen McDonnell Clare - - - - - - - -	1
Mr. Frank Ives Scudamore - - - - - - - - -	6

Monday, 4*th July* 1870.

Mr. David De Quetteville - - - - - - - - -	10
Mr. Frederick William Lewis - - - - - - - -	20

Tuesday, 5*th July* 1870.

Mr. Nathaniel John Holmes - - - - - - - - -	22
Mr. David Quetteville - - - - - - - - - -	42
Mr. William Thomas Henley - - - - - - - - -	45
Mr. Nathaniel Holmes - - - - - - - - - -	55
Mr. Frank Ives Scudamore - - - - - - - - -	56
Mr. William Henry Lefeuvre - - - - - - - - -	66

MINUTES OF EVIDENCE.

Friday, 1*st July* 1870.

MEMBERS PRESENT:

Marquis of Hartington.	Mr. Neville-Grenville.
Mr. Hurst.	Sir Stafford Northcote.
Mr. J. D. Lewis.	Sir Lawrence Palk.
Mr. Muntz.	

THE RIGHT HONOURABLE THE MARQUIS OF HARTINGTON, IN THE CHAIR.

Mr. *Stephen McDonnell Clare*, called in; Examined by Mr. *Merewether*.

Mr. *S. M. Clare.*

1 July 1870.

1. ARE you Secretary to the Submarine Telegraph Company?—Yes.

2. And you know all about their affairs; is there still existing a Submarine Telegraph Company and a French Company, or are they one?—They are perfectly one.

3. Therefore my learned friend, Mr. Denison, was not correct in saying there were two companies?—No; they are two distinct capitals, but they are identically one. We are under a working agreement, which makes us identically one; we work under the same concessions.

4. How long has that agreement been in existence?—For many years, but I cannot tell you exactly the date of the agreement.

5. You are now carrying messages from England to France, are you not?—Yes.

6. Did the French Company ever traverse that same route?—The French Company was established, I think, in the year 1851 or the year 1850, under a concession granted by the Emperor of the French, and the Chartered Company had a concession to Belgium incorporated by Royal Charter. The concessionaires of the French line were in some cases, or perhaps in all, the concessionaires of the Belgium line, and they entered into a practical working agreement together, with a joint purse, taking out all the expenses, and they are managed by a joint board of management, and composed of the gérants of the French Company and the directors of the English Company.

7. Did the French Company ever pass messages from France to England, and the reverse?—I do not know that I can answer that question, because it was before my time; but I think not.

8. I do not think it is necessary to prove that agreement through you, because it is going to be confirmed by a clause; but is it the fact, that you have been in the habit of transmitting by your submarine telegraph to France messages for Jersey, which have been worked back to Jersey from France?—Yes, we send all messages from Jersey by France.

9. Have you four miles of land line in Jersey?—We have a land line between Gorey and St. Helier's, and, I dare say, it is four miles.

10. Being possessed of those lines, and so working that telegraph, if you recollect, this morning my learned friend, Mr. Denison, mentioned a telegram, and I asked you at the time whether you brought that telegram, and you answered, "Yes"?

Mr. *S. M. Clare.*

1 July 1870.

"Yes"?—Yes, that is the case, because there is no other means of bringing telegrams.

11. Have you made an arrangement with the Postmaster General by which there is a division of the sums received by you, at present, for sending those messages from England to Jersey?—Certainly.

12. Without troubling you with the details of what they produce, would you tell the Committee what proportion each takes of the receipts of that telegram?—Yes, under the agreement of 1868 the Submarine Telegraph Company are to receive one-fourth for their expenses, and the Postmaster General takes one-fifth for the rental of his land line, and then, after deducting the sum of the one-fourth and the one-fifth from the total charge, the remainder is divided equally between the Postmaster General and ourselves, so that practically you may say that the Postmaster General gets rather more than we do.

13. That is to say, that on your present line to Jersey the Postmaster General gets rather more than half the receipts on the messages?—Yes.

14. Has that worked fairly and well?—We have worked it since the Postmaster General acquired the lines of the various telegraph companies; and we have divided the traffic in that proportion.

15. You have had your money, I presume, and have paid him his?—It is a matter of account. We have had no money yet, but we shall get it, of course, by-and-by.

16. However, there is no complaint about it?—No, there is no complaint. The Postmaster General is, unfortunately, our debtor, and we are not his; but I am quite satisfied that we shall be paid.

17. But there has been this arrangement going on, about which neither has expressed any discontent?—Yes.

18. Then is it true, that you, hearing, since January, that my learned friend, Mr. Johnson's company, the new company, was proposing to lay its cable, have entered into negotiations with them for certain purposes?—Yes, certainly; they were going to lay this cable down, and it was understood that they had entered into some agreement with the Postmaster General, and we proposed to enter into a working agreement with them; and, in fact, an agreement was approved by my board, and approved, also, by the Jersey Board, as I understand.

19. Did your board approve of the heads of this agreement?—Yes.

20. Was there a board resolution?—Undoubtedly.

21. As far as you know and have ascertained from Mr. Lefeuvre, did the other company also approve?—Yes, certainly.

22. Have you your books here?—I have not, but I could supply it; I was not aware that it was required, or I could have produced it; I am quite prepared to say that there is a resolution of our board.

23. Of course, you cannot speak of having seen the resolution of the other company, the new company; but, so far as you know, you have never heard of anything urged by them as disapproving of those heads of agreement?—On the contrary; all that I have heard goes to show that their board approve of the agreement.

24. You being satisfied yourself, and, as far as you know, the other company being satisfied, did you send those to the Postmaster General?—Our solicitor sent the heads of this agreement to Mr. Ashurst, I believe, the solicitor to the Post Office, but I do not know the date.

25. As far as you recollect, was that about the 6th of April?—I should think it was about that time.

26. At that time had you any knowledge that the Government proposed to adopt this line to Jersey?—Undoubtedly not.

27. Mr. Scudamore says that he has told you, "We do not complain of his holding any information back;" did you receive a letter on May the 16th, saying that the Government had come to that conclusion?—Yes, I received the letter, and I dare say you are right as to the rate; I think, a day or so before I had the letter, he told me so verbally.

28. That would make a difference in the interval in which you were left, since you had written on the 6th of April, of a month and eight days instead of a month and ten days?—Yes.

29. However, there was a considerable interval, and it was only about that date, or say two days before that, Mr. Scudamore told you in conversation?—Yes.

Mr. *S. M. Clare.*

1 July 1870.

30. As part of the heads of that agreement did you look to getting a rent from the New Jersey Telegraph Company, which, without troubling the Committee with the figures, would have given you a considerable amount per annum?—Yes, we were to have a commission, I think, of 6 *d.* per message, and then a minimum sum of 800 *l.* a year. You seem to think that we were only to have 800 *l.* a year, but we might have had considerably more under that agreement.

31. Of course all that is now at an end, provided the Government are invested with these telegraphs?—Yes.

32. So that you would lose all that you have been making. They would lose their share of the telegrams to France and Jersey, and you would lose the effect of the bargain, whatever it might be, be it 1 *s.*, or be it 1,000 *l.* a year?—We should lose our proportion, but I think the Postmaster General would get more by laying down this cable than he would if the agreement between ourselves and the Postmaster General had not been disturbed.

33. That is to say, he will get all?—Yes, and that all will be considerably more than the half which he gets now.

34. My learned friend is anxious that those heads of agreement should be put in; if there is any doubt about it will you read it?—I will: "Heads of a proposed agreement between the Jersey and Guernsey Telegraph Company and the Submarine Telegraph Company, April 1870. The Jersey and Guernsey Telegraph Company to lay down a cable between some point on the English coast, near Dartmouth, and Guernsey, and from thence to Jersey; the Jersey and Guernsey Telegraph Company to erect a land wire in connection with the cable at Dartmouth, to bring the same from Dartmouth into the Submarine Telegraph Company's office in London, and to supply the necessary instruments for working the same; the Jersey and Guernsey Telegarph Company to place a wire in connection with the cable at Jersey, to bring the same into the Submarine Telegraph Company's office at Jersey, and to supply the necessary instruments for working the same; the Jersey and Guernsey Telegraph Company to establish an office at Guernsey, and to provide clerks and messengers and everything necessary for working the cable or cables, or collecting and delivering messages at Guernsey, and pay the salaries and wages of such clerks and messengers and all other incidental expenses; the Jersey and Guernsey Telegraph Company to pay to the Submarine Telegraph Company a commission of sixpence per message of 20 words, increasing by threepence for every addition of 10 words or less than 10 words, upon all messages transmitted over the Jersey and Guernsey Telegraph Company's cable or cables, but the sum to be thus paid by the Jersey and Guernsey Telegraph Company to the Submarine Telegraph Company shall never be less than 66 *l.* 13 *s.* 4 *d.* for each and every month during the continuance of this agreement, the first month to be calculated from the day upon which the cable is open for traffic. The Jersey and Guernsey Telegraph Company at their own expense to repair and maintain the cable or cables and the land lines connected therewith, and to pay all charges or demands that may be made on the Submarine Telegraph Company by the Postmaster General in respect of messages transmitted by means of the Jersey and Guernsey Telegraph Company's cable or cables. In consideration whereof, the Submarine Telegraph Company undertake to work the cable of the Jersey and Guernsey Telegraph Company between London and Guernsey and Jersey, and provide all clerks and messengers at London and Jersey necessary for this purpose, and pay the salaries and wages of such clerks and messengers and all incidental expenses. The Submarine Telegraph Company undertake to transmit all messages received by them originating in the United Kingdom or elsewhere, and destined for Jersey or Guernsey, and all messages received by them at Jersey destined for Guernsey, or any place in the United Kingdom, by the cable or cables of the Jersey and Guernsey Telegraph Company so long as such cables are in working order. The Submarine Telegraph Company to render accounts at the end of each and every month, showing the sum collected by them in that month for the transmission of messages by the lines of the Jersey and Guernsey Telegraph Company between London and the Channel Islands, and *vice versâ*, and to pay over to the Jersey and Guernsey Telegraph Company, in the course of the succeeding month, such sum, less the sum due to the Submarine Telegraph Company for commission, as aforesaid, upon all messages transmitted by the cable or cables of the Jersey and Guernsey Telegraph Company, or the sum of 66 *l.* 13 *s.* 4 *d.*, whichever is the larger; and the sum collected by the Jersey and Guernsey Telegraph Company for the trans-

Mr. *S. M. Clare.*

1 July 1870.

mission of messages beyond the United Kingdom. This agreement to be in force for seven years from date of opening of cable for public traffic, terminable by a notice to be given in writing six months before the termination of the seven years, and, failing such notice, the agreement to be in force for another seven years, to be terminated by a similar notice."

35. Had you, prior to presenting those heads of agreement to the Jersey Company, had a communication from Mr. Ashurst, of the Postmaster General's Office, of the heads of agreement which he had made, that is to say, which the Postmaster General had made with the Jersey and Guernsey Company?—I do not recollect that paper at all. I do not think that I have ever seen any paper of the kind to which you are referring.

Mr. *Scudamore.*] It could not be so, because we never made an agreement with the Jersey and Guernsey Company.

36. Mr. *Merewether* (to the *Witness*).] Have I used the wrong word in speaking of the Jersey Company?—I cannot say that I have seen any documents from Mr. Scudamore, or from the Post Office, or any arrangement entered into or intended to be entered into between the Postmaster General and our Company.

37. If you do not know it I will not ask you about it. Is it upon that condition of things that you are here to ask for compensation to your company for losing that which you are carrying out in conjunction with the Postmaster General, and which you believe, as far as you know, if the Postmaster General, had not interfered, you would have carried out in conjunction with him?—Exactly so.

Cross-examined by Mr. *Simpson.*

38. You do a considerable traffic, I think, with France and the Continent generally?—Yes, a large traffic.

39. Has the Postmaster General anything to do with that traffic; does he derive any benefit from it?—Yes, he takes the same proportion as he would of the Jersey cable.

40. I mean traffic which never comes to England; traffic between the Channel Islands and France, the ultimate destination of which is not England?—Between Jersey and the rest of the world except England. Yes, certainly, we should take one-fourth, and after deducting that he would have a half.

41. Take the case of a message between Jersey and Paris?—I will take that case between Jersey and Paris. If you refer to the agreement of the 11th of July 1868, you will find that it is distinctly stated in the preamble of that agreement, that the traffic in the Channel Islands cable is to be put into the joint purse in the same way as the traffic earned by all the other cables belonging to the Submarine Telegraph Company. That being the case, he would be naturally entitled to his proportion of the traffic between Jersey and Paris.

42. Just as if Jersey had been the Isle of Wight?—Just so.

43. In truth, for all purposes of your agreement with the Postmaster General, the Channel Islands are treated as if they formed part of the United Kingdom, are they not?—Exactly, only you must make this distinction; that between Jersey and Paris, the case you cited, the Postmaster General has no land wire, and therefore he gets nothing. We should take a fourth for our expenses, and then we should take half of the three-fourths.

44. And that traffic will not be interfered with?—Of course not.

45. And you do not claim, and cannot claim, of course, any compensation for that?—I am not asking for compensation for that.

46. Under your agreement with the Postmaster General, the Channel Islands are practically treated as part of the United Kingdom, are they not?—Yes.

47. Then as to the land line, is it in Jersey or is it in Guernsey?—It is in Jersey, between a place called Gorey and St. Heliers.

48. That is the only land line?—That is the only land line.

49. And you have the free use of that notwithstanding the monopoly Bill of last year?—Yes, and we have been sending messages by it.

50. You are not aware of anything, I suppose, either in the proposed Bill or in the Bill of last year, which will prevent your continuing to have the free use of that land line for all purposes after this Bill has passed?—No; I take it, that if this

Bill

Bill is passed, we shall not be allowed to send any local messages between Gorey and St. Heliers, because if the Postmaster General is to have the monopoly, we are denied the right of sending messages, I take it.

51. My learned friend, Mr. Merewether, asked the question whether the Postmaster General wished to buy any portion of your undertaking. Of course, until your undertaking is bought, the Act of 1869 will not come into effect?—If the Postmaster General is to be the only person to send messages in the Channel Islands, I do not see how I can send messages.

52. What I wish to get out is this: whether the compensation which you are asking in respect of land lines is required for local messages?—The agreement which I have referred to does not refer to that local line at all; but when we come to the question of compensation, we shall certainly take the loss of that traffic, whatever it may be, between St. Heliers and Gorey, into consideration.

Re-examined by Mr. *Merewether.*

53. I understand that you do not put that four miles of line as the main ground of your compensation, but it is an additional ground?—It undoubtedly is; it supplements the other claim.

54. When I asked Mr. Scudamore just now whether there was not a doubt whether they might desire to purchase our line, I was referring not to that, but to the whole line from England to France?—I took that to be the meaning of your question.

55. Now, supposing this Bill is passed, do you believe that you should be enabled to send any messages by that telegraph which comes back from Jersey, inasmuch as you would have so much shorter a route?—No doubt; but again, suppose that the cable which the Postmaster General lays down between Jersey and England, is broken, then it seems to me very doubtful if the Postmaster General is to have a monopoly of the Channel Islands, whether we could send a message by our own route.

56. I will not give you an off-hand opinion upon that, but I think you could?—Then how does this infringe on the privileges of the Postmaster General applying for a telegraphic communication between Great Britain and the Channel Islands?

57. Are these the two alternatives, that you will either, if you are right, not be able to send any messages at all, or at any rate, that you will send very much fewer than you have hitherto done in conjunction with the Postmaster General?—I take it that we shall not send any.

58. Are not these the two alternatives, that you either will, if you are right, be not able to send any, or that if you were entitled to send any, you would send very much fewer than you had hitherto done in conjunction with the Postmaster General?—Yes.

59. *Chairman.*] You maintain, I understand, that you could have prevented the Jersey and Guernsey Company from connecting their lines with ours, supposing this Bill had not been introduced, and the Jersey and Guernsey undertaking had been carried out?—Do you put this question; supposing the Jersey and Guernsey Telegraph Company had laid down that line, could we, the Submarine Company, have protested against the Postmaster General connecting the land line, so as to form a communication between London and the Channel Islands? I think we could.

60. Is not that what you rest your claim on altogether?—No.

61. Sir *Stafford Northcote.*] But on what ground could you have made that protest?—It would have been under the agreement of the Magnetic Telegraph Company, between the Magnetic Telegraph Company, and the Submarine Company, incorporated with the agreement of the 11th of July 1868, between the Submarine Company, and the Postmaster General.

62. That is the same that we have heard read?—Yes.

63. Mr. *Muntz.*] In your proposed resolution, or agreement, I think you stated that you had on your minutes a resolution to receive the 800 *l.* a year?—To the best of my belief the minute ran somewhat in this way: "Considered and approved of heads of the agreement submitted by the secretary to be entered into between this Company, and the Jersey and Guernsey Telegraph Company."

64. You are not aware whether the same resolution was entered on the books of

Mr. *S. M. Clare.*
1 July 1870.

of the company which was to pay you?—I do not know of my own knowledge, but I believe it to be so from the statement that I have heard.

65. With regard to the 800 *l.* you were to receive annually as the minimum, what was that for?—We had so much per message, and we made the best bargain that we could; and these gentlemen agreed to give us 800 *l.* a-year as the minimum, and we took it.

66. What did they getfor their 800 *l.*?—They got the messages, and we did the work for them.

67. You mean that they could not have laid down their wire without your consent?—I cannot say that. I mean to say this: that we undertook, instead of sending messages by our own line, to send them by theirs, and that we would pay all the expenses for working the wire here and in Jersey, and therefore we stipulated for this 800 *l.* to pay us those expenses.

68. You were to bear the expenses of the company here?—We were to bear the expenses of working the wire.

69. Sir *Lawrence Palk.*] And the laying the wire?—No; the Jersey and Guernsey Company were to lay the cable and to make the arrangement with the Postmaster General to take this wire from the landing-place in England and to bring it to our office.

70. Mr. *Muntz.*] The 800 *l.* would not have been a clear profit to you; you would have had to deduct certain expenses?—Yes; no doubt there are certain expenses that would have had to be deducted.

[The Witness withdrew.

Mr. *Frank Ives Scudamore*, called in; and Examined by Mr. Serjeant *Sargood.*

Mr.
F. I. Scudamore.

71. You are one of the Secretaries of the Post Office?—I am.

72. And I think that you have had, I may say, pretty well the conduct of all the inquiry in 1868 and 1869, when the Government Acts were brought in?—Yes.

73. With the knowledge which you then had, and your experience acquired since, is it, in your opinion, advisable for the purpose of protecting the public revenue that the provisions of the Telegraph Acts of 1868 and 1869 should be extended to the Channel Islands?—It is.

74. And you propose for that purpose by this Bill, to bring them within the description of the United Kingdom, which is the neatest way of making them subject to the provisions of those two Acts?—I do.

75. I think that there are some other alterations that are deemed to be necessary; perhaps you will just mention them to the Committee?—The chief alteration is to include the Isle of Man also within the provisions of the Bill.

76. I think it is a very short Bill; a very practicable one. I believe that is about all the subject-matter?—It is.

Cross-examined by Mr. *Bidder.*

77. Mr. Denison told the Committee in his opening that there have been negotiations between what we call the new company (the Jersey and Guernsey Company, I think they call themselves) the Channel Telegraph Company, and your department, in the year 1869?—I did not understand him to say that.

78 It will be in the recollection of the Committee, Mr. Denison said, to show that they had been in the field before us, that even early in 1869 there had been negotiations between them and the Post Office. Now, I ask you whether you have any knowledge of any such negotiations?—My memory does not serve me quite precisely as to that date, because there has been a perfect shifting kaleidoscope of companies about this Channel Islands cable for the last two years. To the best of my belief it was the old Channel Islands Company that negotiated with us in 1869, and it did not rise out of the larva of the old company into the fly of the new company till 1870.

79. Mr. Denison was incorrect, therefore, when stating that you had been in negotiation with the Jersey and Guernsey Company in the year 1869?—I did not understand him to say so.

80. There were communications, were there not, with Mr. Lefeuvre representing the

the old company, up, I think it was stated, to January 1870?—There were communications with Mr. Lefeuvre, as the representative of the old company, but up to what precise date I cannot say, without reference to the documents.

81. Are they all in the room?—I am not sure. If we have another meeting, I will produce the precise dates.

82. Will you produce the correspondence?—Yes (*producing the same*).

83. Now will you tell me, so far as you know, the earliest date upon which any communication was made by, or on behalf of the Jersey and Guernsey Company, to the Post Office, in respect of anything connected with cables to the Channel Islands?—I should not like to give you the earliest dates without reference to all the documents; but I should think very early in the beginning of this year, in the month of January, if not rather earlier than that.

84. I should be glad to have this rather precisely, because you see the date of their registration; we know that they were registered as a company on the 20th of January 1870?—You shall have it with the utmost precision when I have been able to refer to the documents.

85. That also you promise to give me at our next meeting?—Certainly.

86. Now will you tell me this, whether you are not aware that an application was made to the Post Office for permission to complete the arrangements in respect of laying down a line of cable in connection with the old company, to the start point, by Mr. Stoffel in December 1869?—Mr. Stoffel made an application, which is in the room, and which has been read; being asked whether he made that application as the representative of the old company, he distinctly said, in writing, that he did not.

87. Will you produce the letters?—That is his first application (*handing it in*), and my answer is on the back of it.

88. This I see is dated the 21st December 1869?—Yes.

89. He stated that he was then "completing the necessary arrangements for laying a new and efficient submarine telegraph cable;" he made "application to you for information as to the terms upon which the Government would be willing to receive messages;" then you said that you would give me the answer?—My reply is on the back.

90. "I am directed by the Postmaster General to acknowledge the receipt of your letter," and so on; that was read by my learned friend Mr. Denison?—Yes.

91. Will you give me his answer?—"In answer to your favour of the 28th ultimo, I beg to inform you that the letter I addressed on the 21st ultimo was not as representative of the Channel Islands Telegraph Company; but as a principal, connected with the majority of the commercial interest of the Islands, who are completing arrangements with me for making and laying an efficient submarine cable."

92. Now can you tell me what further answer was given to that application?—None.

93. Then will you explain to the Committee the reason why that application being made, and it being stated that the arrangements were being completed, no answer whatever was given by your department to the application?

Mr. Serjeant *Sargood* objected to the question, on the ground that Mr. Bidder was not entitled to ask it as representing Mr. Henley.

94. Mr. *Bidder.*] Is it usual in your office when a communication is made to the department in a public capacity upon a public subject, that answers should be given to such communications?—There are occasions on which it is not desirable to reply to letters.

95. Was this considered by the department an occasion on which it was not desirable to make any answer?

Mr. Serjeant *Sargood* objected to the question.

96. Mr. *Bidder.*] I may take it, however, that whatever was the reason of the decision, no answer whatever was given to that application?—No answer was given.

97. *Chairman.*] What is the date of that last letter?—The 5th of January 1870.

98. Mr. Stoffel's second letter?—Yes.

Mr. *F. I. Scudamore.*

1 July 1870.

99. Mr. *Bidder.*] And I may take it that many weeks elapsed and no answer was given?—No answer has been given up to the present time.

100. Were further applications made to your department by Mr. Stoffel?—Here is one other letter of the 30th of January.

101. That was a letter of his, calling your attention to the prospectus of a new public company: "Since I had the honour of last addressing you, several public meetings have been held in Jersey, in favour of my proposal, and I have secured the co-operation of the chief commercial interests of the island. I have, you are doubtless aware, received the necessary letters of authority for landing the cable, from the Board of Trade and the Office of the Woods and Forests." Now, it was stated by Mr. Denison that that was not true; have you made any application to the Board of Trade or the Office of the Woods and Forests, to ascertain whether that statement was correct or not?—If the Board of Trade had given that permission, they would have communicated it to the Post Office, and they have not.

102. My question was, have you made any application to the Board of Trade or the Woods and Forests, to ascertain whether that statement was correct or not?—I have made no application, it not being necessary to do so.

103. Looking at that letter, I see in a note in your own handwriting, that "this is utterly untrue;" what was the source of your information from which you made that note?——

104. Sir *Stafford Northcote.*] I wish to ask you why the Channel Islands were not included in the Act of 1869?—The real cause was inadvertence. We did not consider, until it was extremely late; so late that to have put them in and brought forward fresh opponents, would have been to imperil the Bill, that the Channel Islands and the Isle of Man were not part of the United Kingdom.

105. If they had been included in that Act, this question of compensation would not have arisen?—No, except from the old Channel Islands Telegraph Company, and the Submarine Company.

106. Taking the situation as it stands at present, you have said that you are satisfied that it is expedient now to extend the provisions of the Act, to the Channel Islands. Would you shortly state why?—I am perfectly satisfied of this, that the people of the Channel Islands and the Isle of Man, who for postal purposes are included in the United Kingdom, and have the benefit of the uniform penny rate of postage, will never rest until they have in some way or other got themselves brought within the uniform shilling rate for telegraphic communication. It is only a question of time as to how soon they would be able to put sufficient pressure on the Government to bring them within the operation of that rate. All the while that they were doing that, we should be exposed from day to day to the starting up of fresh companies to carry on the communication which the Government had not established. I think there are other reasons, Imperial reasons, why it is desirable to bring all parts of what you may really call the United Kingdom, although it is not legally so, within telegraphic communication. Alderney is an important station; it is very desirable indeed that the Government should, in case of war, have communication with that station, instead of being obliged, as at present, to send its communications through France. Somewhat similar reasons, would, no doubt, apply to bringing the Isle of Man within the definition of the United Kingdom.

107. Practically the Government have the power, have they not, of preventing any company from laying a cable to the Channel Islands from having the power of preventing them from landing?—It is not quite clear that they have that power absolutely. There are parts of the foreshore which are not in the possession of the Government, and where a company might obtain the consent of private individuals.

108. Upon the whole, you are satisfied that the only good way of bringing the Channel Islands into communication with the United Kingdom through the telegraph, subject to the control of the Government, is by a Bill of this character?—Yes.

109. Mr. *Hurst.*] Are there not some other islands besides Guernsey, Jersey, Alderney, and Sark in that group, islands not inhabited, I mean, which this Bill ought to be extended to, because cables might be landed there and carried on from there to the other islands, and so escape this Bill?—I am not able to say that, but I will make inquiry before the Committee meet again on that point.

110. Sir

Mr. *F. I. Scudamore.*

1 July 1870.

110. Sir *Lawrence Palk.*] Why do you not put "all other rocks and islands"? —That is rather wide. We will get an engineer's opinion or an Admiralty opinion.

111. Mr. *Muntz.*] Supposing we were to allow all these applications to make lines for the Channel Islands in competition one with the other, would not the price be reduced as low as your shilling?—No.

112. Not by competition?—It would not pay.

113. It certainly would not pay, but might they not do it?—They would not do it, except in the hope of eventually coming to Government and saying "Buy."

114. *Chairman.*] Would there be a considerable inconvenience to the department if two cables were permitted to be laid between the Channel Islands and this country; would you not be obliged to unite the land wires with both of them? —Certainly, and we should be exposed to continual complaints from both of them. They would say that messages that had gone by the one ought to have gone by the other, although the public had expressed no preference that they should go by the other. The same thing arises in the case of the lines to India; scarcely a day passes without our being accused of having favoured the Indo-European or the Falmouth, Malta, and Gibraltar Company. And we are also put to additional expense by the duplicate lines.

[The Witness withdrew.

Monday, 4th July 1870.

MEMBERS PRESENT:

Marquis of Hartington.	Mr. Neville-Grenville.
Mr. Hurst	Sir Stafford Northcote.
Mr. J. D. Lewis.	Sir Lawrence Palk.
Mr. Muntz.	

THE RIGHT HONOURABLE THE MARQUIS OF HARTINGTON, IN THE CHAIR.

Mr. *David De Quetteville*, called in; Examined by Mr. *Webster*.

Mr. *D. De Quetteville.*

4 July 1870.

115. You are the Deputy Chairman of the Channel Islands Company, are you not?—I am.

116. How long have you been a director of that company?—Since 1858.

117. I presume from that that you were one of the promoters?—I was.

118. Are there a number of other inhabitants of Jersey interested in it?—Half the shares were taken up in the Channel Islands between Jersey and Guernsey.

119. I think that your first capital was 25,000 *l.*, increased——

Mr. Serjeant *Sargood* objected to the question.

120. Mr. *Webster* (to the *Witness*).] The company was duly registered, was it?—It was.

121. And, so far as you know, have all the Acts of the Registration Office been properly complied with?——

Mr. Serjeant *Sargood* objected that the documents must be called for and put in.

122. Mr. *Webster* (to the *Witness*).] Is it within your knowledge that authority was from time to time given for the proper documents being prepared?—I believe it was.

123. And you believe that they have been done?—I believe they have.

124. You were registered in 1858, and I think your capital was subsequently increased?—It was.

125. I presume that that was one of the facts duly returned to the Registration Office?—I believe so.

126. Is it within your recollection that that increase of capital was authorised?—It is.

127. Mr. *Webster* (to the *Witness*).] You made an agreement with the Government, I think?—We did.

128. And you laid lines of telegraph wires?——

Mr. Serjeant *Sargood* objected to the question.

129. Mr. *Webster* (to the *Witness*).] Will you tell us in your own way, so that I may not go wrong, to satisfy my learned friend, if possible, what has become of the seal?—As the learned gentleman has stated, I have been travelling on the Continent, and, consequently, we could not get a meeting of the board in Jersey, but I received a letter——

130. Just tell us what became of the seal?—The seal remained with our secretary, Mr. Bennett; when I applied for it Mr. Bennett told me that it was no more in his possession, but had been taken possession of by the Post Office authorities.

131. Mr. Serjeant *Sargood*.] At what date did he tell you this?—A few days ago,

Mr. *D. De Quetteville.*
4 July 1870.

ago, on my arrival in London, he said that it had been taken possession of by the Post Office authorities, when they took over the International Companies' offices. I then applied to the Solicitor of the Post Office, Mr. Ashurst, who very kindly gave me this paper, dated the 27th June 1870 : "I see no objection to the seal of the Channel Islands Telegraph Company (Limited) being delivered up to the representatives of that company." This was signed by Mr. Ashurst, the solicitor, and approved by Mr. Scudamore. With that document I went back to Mr. Bennett, who then came over with me to the offices of the International Company, and ordered a search to be made for this seal. Mr. Bennett's impression was that it had remained in his desk. However, that desk could not be found, and, I must add, that the Solicitor of the Post Office was kind enough to say, that if the seal could not be found, no objection would be taken to the absence of the seal.

132. Mr. *Webster.*] This Bill was introduced on the 25th of May, I think ?—Yes.

133. When did you first hear of it ?—I really could not say.

134. Were you abroad at that time ?—No, I was not abroad in May.

135. Did you shortly afterwards hear of it from two of your colleagues ?—I heard of it from two of my colleagues since my arrival in London ; they could not communicate with me whilst I was on the Continent, for the very reason that nobody knew exactly where I was ; I had been travelling about, moving from one place to another.

136. Did you receive authority from them to sign this petition ?—I did ; it is a letter from our solicitor, Mr. Hawksworth.

137. Is Mr. Hawksworth the solicitor to the company ?—He has been employed by us.

Mr. Serjeant *Sargood* objected that this letter could not be evidence.

138. Mr. *Webster* (to the *Witness*).] Had you authority from your two colleagues to sign that petition ?—I had.

139. Are three a quorum ?——

Mr. Serjeant *Sargood* objected to the question.

140. Mr. *Webster* (to the *Witness*).] Had you the authority of those two colleagues ?—I had the authority of the only acting directors of the Channel Islands Telegraph Company.

141. *Chairman.*] Who are they ?—Messrs. Gosset and Carrel.

142. Will you explain what you mean by the acting directors ?—I mean this : that the other directors, particularly those connected with the International Company, resigned their seats the moment that the International Company had sold their interest in the company to the Government.

143. Mr. *Webster.*] Was Mr. Lefeuvre chairman of the rival company ?—Yes.

144. Was he formerly a director of your company ?—He was.

145. Mr. *Neville-Grenville.*] When was the last regular meeting of the company prior to this Bill held ; can you produce a minute of it ?—The last meeting was, as far as I can remember, held in Jersey in the early part of this year ; it must have been in the latter part of last year.

146. I suppose that there is some minute of that meeting ?—There is some minute of that meeting. Those books are now in the room, I believe, in possession of gentlemen connected with the rival company.

147. Mr. *Muntz.*] When was the meeting before that held, as nearly as you can remember ?—There was a meeting before that. A few months before that, when Mr. Grimstone resigned, I was here in London, and I was then trying to get up a cable, and with every chance of success.

148. Mr. *Webster.*] The honourable Member asked when the last meeting was ; do you know in whose possession the minute books are ?—The minute books, I believe, are in this room, and in possession of gentlemen connected with the rival company.

149. Is Mr. Lefeuvre the chairman of that company ?—He is.

150. Was he in this room on Friday ?—Yes, he was.

151. I hold here a return to the Joint Stock office, of the 9th of July 1869——

Mr. Serjeant *Sargood* objected that this was not the issue.

Mr. *D. De Quetteville.*

4 July 1870.

152. Mr. *Webster* (to the *Witness*).] I need hardly ask you whether the introduction of this Government Bill has practically suspended your proceedings?

Mr. Serjeant *Sargood* objected to the question.

Witness.] There has been worse than that; there has been an illegal interference of the Government.

The *Chairman* intimated that the Committee could not go into this point.

153. Sir *Lawrence Palk* (to the *Witness*).] Was there any meeting of the directors by which you were authorised to put your signature to this petition?—I received an authority——

154. Was there any meeting of the directors of the board, at which meeting you were authorised by the board to put your name to this petition?—I am not aware that there was.

155. Mr. *J. D. Lewis.*] Do you produce the minute books of your meetings?—They are in the room, but in the possession of gentlemen connected with the other company.

156. Mr. *Webster.*] Had you any opportunity of calling a meeting of the directors?—I think that I have explained that that could not be; I was travelling on the Continent. Had I been in Jersey I would have called a meeting, undoubtedly.

157. Sir *Lawrence Palk.*] But no meeting was called?—There was no possibility of calling a meeting in my absence.

158. Mr. *Webster.*] I think that Mr. Bennet, your secretary, had left you?—The fact is that Mr. Bennet has not acted for the company for a great many years, although he has nominally remained the secretary.

159. Mr. *Muntz.*] Who is the secretary?—Mr. Bennet. He was the cashier, I believe, or the accountant of the International Company.

160. Is he still your secretary?—Nominally; but he has not acted as secretary.

161. Mr. *Webster.*] I think he signed the returns to the Joint Stock Office?—

Mr. Serjeant *Sargood* objected to the question.

162. Mr. *Webster* (to the *Witness*).] Do you know anybody else who would sign if it was not Mr. Bennett?—No; the fact is that the papers were always signed.

Cross-examined by Mr. Serjeant *Sargood*

163. You have spoken of some minute books of which some one else has possession?—Yes.

164. You do not suppose that any of your proceedings with regard to this petition are to be found in those minute books, I suppose?—No.

165. Do you know down to what date the absent minute books do record your proceedings?—I think I have already explained that there had been no proceedings latterly on account of my absence.

166. Down to what date do you think the absent minute books record your proceedings?—I think I have already stated, that so far as I can recollect, the last regular board meeting we held was in Jersey, at the latter end of last year.

167. And you think that the minutes are in those absent books?—I believe so, up to that date.

168. You have been told by somebody some tales about those books getting into the possession of the Post Office; at what period do you suggest that they came into the possession of anybody else?—I never said it about the books; I merely mentioned the seal.

169. Then the books had, down to the end of last year, been in your possession?—I can easily explain, if you will allow me, how it is that they are in the possession of the gentlemen to whom I have alluded.

170. That I did not ask you to explain, and I do not much care about it for the present. My learned friend will ask you, when he re-examines you, if he wants it, but down to that period they were in the possession of you and your friends?—They were in the possession of Mr. Bennett, the secretary.

171. Of the authorised people?—Yes.

172. Since then has there ever been a directors' meeting, the minutes of which were

were capable of being put into those books, supposing that you had had possession of them?—No, for this reason, that the books were in London.

173. But that is not a reason?—It appears to me to be a very valid reason. We could not insert the minutes of our proceedings in books which were not in our possession.

174. You have mistaken my question entirely. My question to you was since that period which you have suggested; has there ever been a meeting of your board, the minutes of which could have been put in those books if you had had them?—I believe that we have had several meetings.

175. Then probably, the regular books being absent, some other books were used for the purpose?—I do not know that there were. Perhaps there may have been some minutes of proceedings taken at the time, but of that I could not be positive; it was done generally.

176. Did your secretary attend the meetings?—The secretary was in London.

177. Did he attend the meetings?—No.

178. Where were the meetings held?—In Jersey.

179. Have your board meetings been always held there?—They have been, I should say, generally held in London. We have had a few meetings in Jersey.

180. Up to the end of last year, did you ever know of meetings of your board being held anywhere except in London?—We have had, at different times, meetings in Jersey among the local directors.

181. I said a board meeting of your directors?—No.

182. Where was your office in London at the time the last entry was made in your minute book?—With the International Company, at the International Company's offices.

183. At the telegraph office?—Yes.

184. And pursuant to Act of Parliament you had your name indicated on the door or post, I suppose?—We had.

185. Is it there now?—I believe it is; but I will not be positive.

186. Tell me why you believe it is; because you have never been there to look?—I have; I have not been there to look, but I remember that it used to be at the door, and I think I saw it, but I will not be positive. I did not pay sufficient attention.

187. You are quite right, because I am told it has long ceased to exist there?—I would not state positively that of which I was not sure.

188. Do you know of a board meeting of your directors ever having been held in Jersey prior to the end of the year 1869; you will not venture to say that any board meeting has been held either in Jersey or in London since that date?—I have already explained that the only meetings which could have been held were held in Jersey.

189. That is not an answer to my question; I dare say you intended to answer it?—I did.

190. You do not intend to suggest to the Committee that any board meeting of your directors has been held in Jersey?—No.

191. Then I need not ask you what occurred or who attended it; your putting your name to this petition was done, you say, at the request of two gentlemen interested in the company like yourself?—Who are directors of the company.

192. I did not say so, because my learned friend has not proved that either you or they are directors yet; at any rate it was done at the request of two friends of yours who are interested in the welfare of the company?—At the request of two gentlemen whom I considered equally with myself, directors of the company; and I add that we three directors are the only acting directors of the Channel Islands Telegraph Company at present.

193. And you had not been acting until you took your pen in hand and began to act, had you?—I have acted at all times when I thought it was for the benefit of the company.

194. But what I call acting as a director, is attending at board meetings and doing things legally and officially; when you do things as an amateur official, I do not call it acting as a director; now, drawing that distinction, you had no authority from anybody to sign this petition, except that which you gave to yourself, had you?—The only authority I had was from those two gentlemen who concurred with me as to the steps to be taken.

195. Do you mean to say that the two gentlemen authorised you?—They did.

Mr. *D. De Quetteville.*

4 July 1870.

196. And then you and the others authorised a third, and then the third authorised the others?—No; there was no one else to authorise.

197. If you signed it on their authority, on whose authority did they sign it?—They signed it, believing as we did, that they had authority to sign.

198. I asked you on whose authority did they sign it?—They did not do so at all.

199. Sir *Stafford Northcote.*] They did not sign it?—No.

199*. Mr. Serjeant *Sargood.*] I was thinking that all three had signed it, but you signed it at the request of those two gentlemen on behalf of the company?—Yes.

200. Who authorised them to request you to sign it?—I have no doubt they considered themselves, as I did, authorised to request me to sign it.

201. They did it then of their own motion, thinking that they had a right to do so?—Yes.

202. And you perhaps not doubting their right to ask you, any more than you doubted your own right to sign, signed it at their request?—I signed it, not doubting my own right, but I was glad to have their concurrence; I could do nothing without their concurrence.

203. Why could not you do it without their concurrence?—Because they had an equal right with myself in representing the company.

204. I quite agree in their equality with you in representing the company, that is to say, none of you had any right at all as representing the company?—I do not admit that.

205. Will you tell me the date when you did sign it?—If you will show me the document signed by Mr. Ashurst, I will give you the date.

206. You mentioned the date of it as being the 27th of June?—I believe it was the next day that I signed the petition; I must have signed it on the 28th, I suppose.

207. There is no "must" about it; you might have signed it on the 26th?—No; it was not signed on the 27th, I know.

208. You had not signed it when you saw Mr. Ashurst?—No.

209. What did you tell him about the petition?—I showed Mr. Ashurst the petition, and I added that I thought that if the Government acted justly with us, they would pay us back our capital, as they had been the cause of our misfortune.

Mr. *Webster* stated that the solicitor who saw the witness sign the petition was present, and could be called if necessary.

210. Sir *Lawrence Palk.*] The date is on the back of the petition; is that correct (*handing the Petition to the Witness*)?—Yes, it is the 27th of June. It was the same day that I saw Mr. Ashurst, but it was after I had seen Mr. Ashurst.

211. Mr. Serjeant *Sargood.*] That brings it to your mind, perhaps?—I remembered well that when I showed it to Mr. Ashurst it was not signed, and I thought it must have been signed either on that day or the day following.

212. If you thought you had perfect power to sign that Petition on behalf of the company, why did you trouble Mr. Ashurst at all about it?—Because I knew that the regular way of proceeding was to affix the seal of the company, and I would have done that undoubtedly had I been able to procure the seal.

213. Now we are approaching the point of appreciating your ideas of legality, and so forth; assuming that you had had the seal at your disposal on that day, instead of missing it, do I understand you to say that you would have ventured, with the concurrence of your two friends, to have affixed the seal of the company to that document without any board meeting of directors authorising you so to do?—Undoubtedly I would have done so; I should have been guided by the common sense view of the subject.

214. It would have been as irregular then as it is now?—My answer to that is, that I should have been guided by the common sense view; that is our mode of doing business in the Islands.

215. When you saw Mr. Ashurst, what did you tell him about the seal?—I told Mr. Ashurst what I believe I have repeated here, that I had applied to Mr. Bennett for the seal, and Mr. Bennett had referred me to Mr. Scudamore, and Mr. Ashurst told me that he knew nothing at all about the seal, but, as I tell you

you, he was kind enough to give me that document, which I have produced, and which was the only thing I asked for.

216. You pressed him, and he said (let me remind you of this) that the Post Office had not got the seal, so far as he knew, and that they had heard nothing about it?—He did.

217. You pressed him for an authority from him, ordering somebody to deliver it up to you, did you not?—Yes; I must add that I had not much pressing to use, for Mr. Ashurst was very kind, and did all he could for me.

218. Did not Mr. Ashurst say to you very distinctly, "I cannot authorise any one to give it up to you, because that would look as though I knew he had got it, or, we had got it, but I will give you a general authority, stating that I have no objection to your getting possession of it, if you can find out the man who holds it?—I do not know whether those were the words he used, but it was something like that.

219. The document that he gave you seems to have been carefully drawn?—Yes, Mr. Ashurst told me, "I will give you this document, but I am not prepared to admit that you are the representative of the company."

220. Nor was he prepared to admit that they had got possession of the seal?—No; he told me that he did not know anything at all about it, nor did Mr. Scudamore.

221. And he had no means, nor have we any at this moment, except the means you have told us, of knowing that you are the deputy chairman of the company?—Yes; I am under the impression that Mr. Ashurst, if he had had the seal, would have given it up to me without any difficulty.

222. It is not for me to deal with your impressions, but from what I know of Mr. Ashurst, I rather doubt it. I do not think he would have had much authority for that. As to your being deputy chairman, if the petition is to obtain any authority from that, it will depend upon whether you have been duly appointed deputy chairman at any meeting; that is matter of documentary evidence, I suppose?—I believe I have; I believe you will find my name occurring as deputy chairman, from first to last.

223. If you will show me your appointment, I should be glad to see it?—It would appear in the minutes.

224. Mr. *Webster.*] Take this document into your hand (*handing a document to the Witness*), and tell me whether that has your name attached to it?—Yes.

225. Mr. Serjeant *Sargood.*] What is that document?—These are the accounts of the Channel Islands Telegraph Company.

Mr. Serjeant *Sargood* objected to the document being used for the purpose of proving the appointment of the deputy chairman.

226. Mr. *Webster.*] My learned friend said, will you show me your name as deputy chairman?—My name is on that account as deputy chairman.

227. Mr. Serjeant *Sargood.*] I said, will you show me your name with that appointment; you say you are appointed by some minute; that minute must be produced if you want to prove your appointment as deputy chairman; we may resolve it all into this, may we not, at last: you three gentlemen laid your heads together, and thought it for the advantage of your company to appear against the Bill, and this petition is the result of that?—It is.

228. You ventured to say something about three being a quorum; if that is so, it appears, I suppose, either in the Act of Parliament or in your deed?—I said this, that I acted with the authority of the only acting directors of the Channel Islands Telegraph Company, the other gentlemen having resigned.

229. You told us that three made a quorum; what is your authority for that statement?—I believe the learned counsel stated so.

230. I know my learned friend did, and you swore it?—No, I never did; if you ask me the question my answer is, I believe so.

231. Then you know nothing about it; the deputy chairman ought to be able to tell me that, at any rate, I apprehend: what is your authority for assuming my learned friend Mr. Webster's suggestion to be true, that three make a quorum; I know of no authority?—I believe that on several occasions, under Mr. Grimston's presidency, we have acted as a board with only three directors present.

232. You may have done many things irregularly at many times, but that is not my question; I ask what authority had you for saying that three directors make

Mr. *D. De Quetteville.*

4 July 1870.

make a quorum?—Because at previous periods under Mr. Grimston's chairmanship many meetings were held with only that quorum.

233. *Chairman.*] That is no evidence that three are a quorum?—I believe you will find it on the minute books that three have sat as a meeting of the board.

Re-examined by Mr. *Webster.*

234. I will not put questions to you as a lawyer, but perhaps you know that you are registered under the Act of 1856?—I believe so.

235. Are you aware that under the Act of 1856 the directors can themselves make a quorum, and that there is no Parliamentary quorum fixed?—I believe so.

236. Whether three be the legal quorum by the Joint Stock Companies Act or not, have you in fact repeatedly acted to the best of your belief with three directors sitting as a quorum?—Yes, and I believe not only under my chairmanship but under Mr. Grimston's, our chairman's presidency.

237. Have you right or wrong acted as a director from the first?—Yes.

238. Whether right or wrong have you acted as deputy chairman?—Yes, I have acted as deputy chairman and do act as such to this day.

239. Since the arrangements between the International Company and the Post Office, are there any acting directors or any persons with powers to act as directors except these three?—And Mr. Lefeuvre.

240. You mean Mr. Lefeuvre, the chairman of the rival company?—Yes, and Mr. Robin, also of Jersey, but Mr. Robin, for some reason unknown to me, has refused to act for some months back.

241. Since the secession, so to speak, I do not use it as an offensive term, your board has practically been reduced to five nominally, one of whom is Mr. Lefeuvre, the chairman of the rival company, and another is Mr. Tupper, who declined to act?—Yes; or rather, Mr. Robin, one of the directors of our Channel Islands Telegraph Company, acted up to the latter part of last year; since then, for some reason, I do not know what, he has not acted.

242. Mr. *Neville-Grenville.*] Does he belong to the other company?—No.

243. Mr. *Webster.*] When did the secession of the International directors take place?—I could not say.

244. About what time?—I fancy it must have been last year.

245. In point of fact, after the passing of the Telegraphs Act?—Yes.

246. My learned friend has asked you several questions as to what passed with Mr. Ashurst when Mr. Ashurst gave you that authority to have the seal delivered over to you?——

Mr. Serjeant *Sargood* objected to the question, on the ground that he had not admitted that Mr. Ashurst had given any authority.

247. Mr. *Webster.*] At all events, whether it was in point of form and authority, or not, was it an assent by Mr. Ashurst and Mr. Scudamore that if you could find where the seal was, so far as they were concerned, you should have it?—I understood it to be so, and the proof that it was so was, that with the document I went to Mr. Bennett, who, if he could have found the seal, undoubtedly would have delivered it to me, for he said so.

248. I inadvertently, the other day, used the word "abstracted"; I was wrong in using the word; I did not mean to suggest any intentional abstraction of the seal?—No, certainly there was none.

249. I was told it was not to be found, and I, perhaps rather inadvertently, used the word "abstracted"?—On the contrary, it is only due to the gentlemen of the Post Office to say that they received me with the greatest civility, and were ready to do what they thought they were justified in doing for me.

250. You had been before this in communication with them, had you not?—Not before that; I have never seen them before in my life.

251. They knew the old company by name, did they not?—Mr. Ashurst appeared to know about it.

252. You have been asked several questions about this petition. I observe on this document there is written at the corner, "The Common Seal of the Channel

Channel Islands Telegraph Company was affixed hereto in the presence of;" do you remember that being there?—Yes.

253. Was that struck out at the time when you signed it?—It was.

254. Probably you know that that is the ordinary form of putting a seal, by the attestation of a secretary, or somebody else?—I believe so; and I may add that Mr. Bennett the secretary offered to affix his signature with mine to this document.

255. I think that the secretary offering to affix his signature will satisfy my learned friend; surely he cannot want any further authority than that?—I think it ought to satisfy him.

256. *Chairman.*] Why did the secretary not affix his signature?—Because I did not think it necessary at the moment, as the seal could not be procured. I was told that my signature as deputy chairman would be sufficient, and I thought so.

257. Mr. *Webster.*] The Honourable Mr. Grimstone, I think, was the chairman of the company, was he not?—Yes.

258. And acted as such?—Yes.

259. And another gentleman, Mr. Micklethwaite, was a director?—Yes.

260. They were both directors of the International Company, were they not?—Yes, they were.

261. Since the secession, have they taken any part whatever in the proceedings of your company?—None whatever; at the first board meeting they resigned.

262. I suppose that was a meeting very shortly, if not immediately after, the passing of the Government Act?—I remember it was in the latter part of last year, just at the time when we were about taking steps to procure a new cable.

263. I think you have already said, that since the secession of these gentlemen, you, and the two persons who have been named, have been practically the only acting directors?—Yes, we have.

264. At that time I suppose Mr. Grimstone and Mr. Micklethwaite were in London, were they not?—They were. Mr. Grimstone was at least; I am not certain as to the other gentleman; I think he was, but I am not certain.

265. They usually resided in London, did they not?—They did.

266. I think you had another London director?—There was a Mr. Gordon, but he has ceased attending the board meetings for a very long time.

267. Since these arrangements with the International Company, has any question arisen requiring the interposition of the directors except the landing of this cable?—No.

268. Any important question?—No.

269. During the last year has your business been suspended from the uncertain state in which everything was?—It has.

270. *Chairman.*] Will you just explain that a little; what are we to understand by "the uncertain state in which everything was"?—We made several attempts to get a new cable. At one time the Local Government had voted a sum of 12,000 *l.*, without interest, to assist us, but we were met with difficulties on the part of the Government. The fact is, that ever since 1863, when our cable broke down, we have been in the most uncertain state, sometimes hoping that we should get through our difficulties, and at other times feeling that we had very little chance of doing so, until at last we succeeded; and I believe that the cable would be now laid and in working, but for the illegal interference of the Government.

271. Mr. *Webster.*] When you use that expression, which I will not ask you to repeat, you refer to the question of your having been prevented from landing the cable on that part of the shore?—I do.

272. Was that shore private property?—I believe it was.

273. Mr. Serjeant *Sargood.*] We cannot go into the question of its being private property?—The soldiers were called in without the interference of the civil authority.

The *Chairman* stated that it was unnecessary to go into this point.

Mr. Serjeant *Sargood* submitted that he was entitled to cross-examine upon the new matters which had been introduced in re-examination.

Mr. *D. De Quetteville.*

4 July 1870.

274. Mr. Serjeant *Sargood.*] As to Mr. Robin having ceased to be a director, when do you say that Mr. Robin ceased to be a director?—I meant to say that he ceased to act as a director; I think I did not say that he ceased to be a director.

275. I understood you to say that he had ceased to be a director officially by retirement, and not merely that he had neglected to act?—He neglected to act.

276. From what date?—From the early part of this year. He acted up to the latter part of last year, but he has since been connected with Mr. Lefeuvre in a waterworks company. I do not know whether that is the reason.

277. It appears that he has been busy otherwise. I asked you that question, because on the 11th of September, when you were in the chair at a meeting, duly convened, of the directors of the Channel Islands Telegraph Company, held at the offices of Mr. Hawksford, Mr. Robin appears to have been present, was he not?—That was in the latter part of last year. What date did you mention?

278. I said the 11th of September, at a meeting duly convened at the offices of Mr. Hawksford, of the directors of the Channel Islands Telegraph Company (Limited), being in Jersey; you were in the chair?—Yes, I was.

279. And Mr. Robin acted then as a director?—Yes, I think I told you that he acted up to the end of last year.

280. And Mr. Gassiot, and Mr. Carroll, and Mr. Lefeuvre were all there?—Yes, they were all there.

281. The meeting was duly convened?—It was, as far as I know.

282. Was the Government director there?—He was not in the island.

283. Not at that time?—No; and I may add that he has never been in the island.

284. Of course you summoned him, otherwise your meeting would not have been duly convened?—I have already explained that on all these questions I took the common-sense view of the matter.

285. Mr. *Webster.*] On that day, the 11th of September, the two gentlemen, whose names my learned has read to you from that minute, attended?—I remember the meeting.

286. Mr. Serjeant *Sargood.*] I have not read the minute?—I do not know what you read.

287. Mr. *Webster.*] Do you remember a meeting on the 11th of September?—I do; at least I remember that there was a meeting held in the latter part of last year. The learned counsel stated that the 11th of September was the date; I believe that is correct.

288. Whether the Government representative was there or not, you say that you think Mr. Robin was?—Yes, he was.

289. You told us that you had this secession of the International gentlemen?—Yes.

290. Mr. Serjeant *Sargood.*] Does it appear by the minutes that they seceded?—I believe you will find it on the minutes.

Mr. Serjeant *Sargood* objected to the Witness stating what was on the minutes without further proof being given.

Mr. *Webster* stated that he was not in a position to prove what was on the minutes in any other way, inasmuch as the representatives of the Post Office would not put them in.

Mr. Serjeant *Sargood* stated that he was not withholding the minutes.

Mr. *Johnson* stated that the minutes were in the possession of Mr. Lefeuvre, who had formerly been a director of the company, and that there was no wish to withhold them, but that they would be produced immediately if anyone wished to see them.

The *Chairman* stated that the Committee wished to see the minute books.

The minute books were handed in to the Committee.

Witness.] Your Lordship will find my appointment at the first meeting. There was a general meeting held in Jersey when the company was formed.

291. Mr. *Webster.*] My learned friend objected to my use of the word secession or resignation.

resignation. As a fact, did Mr. Grimstone and the other directors of the International Company cease to act as directors of your company after the autumn of last year?—Yes; and more than that, they positively resigned at a board meeting. I think you will find the minutes of those proceedings in the books.

292. Whether they resigned formally or not, have they ceased to act?—They have.

293. When did Mr. Lefeuvre cease to act as a director, or act in opposition, rather I should say?—In the early part of this year; but from the moment that Mr. Lefeuvre became connected with, or had started, the other company, I considered that he had ceased to act as a director of our company.

294. Then is your explanation of that other gentleman ceased to act, or not having acted, that he has been connected with Mr. Lefeuvre in other matters?—That is my impression.

295. Whatever may be the motive, as a matter of fact he has ceased to act?—Yes.

296. And the direction has been reduced to you three?—Yes.

297. Mr. *Muntz.*] Who appoints the directors under your corporate powers?—We were appointed at a general meeting of the subscribers in Jersey; it was the first meeting held of the company in Jersey.

298. Sir *Lawrence Palk.*] At what date was that?—In 1858.

299. We have no minute of that meeting unless it is in the other book; we have nothing here earlier than 1859?—It was in 1858.

300. Sir *Stafford Northcote.*] It appears that the first half-yearly meeting was held on the 14th of June 1859?—I know that there was a meeting in Jersey before that; in fact, the first meeting of the shareholders took place in Jersey when the board was appointed, and then a subsequent meeting took place in London.

301. Mr. *Muntz.*] Under your corporate powers, in case of a vacancy occurring in the directorate, who appoints the new director?—The remaining directors have done so up to this time; that was the way in which Mr. Lefeuvre was appointed.

302. Mr. Lefeuvre, you say, and other gentlemen resigned or did not attend?—No, they have ceased to act. Mr. Grimstone and Mr. Micklethwaite have both resigned, and so did Mr. Tupper; they all three resigned, but the remaining gentlemen only ceased to act.

303. When Mr. Grimstone and Mr. Micklethwaite resigned, did you fill up their places?—It was then that Mr. Lefeuvre was elected.

304. Then you filled up Mr. Micklethwaite's and Mr. Grimstone's places by electing Mr. Lefeuvre and some other gentleman?—I believe Mr. Lefeuvre was the only director who was then elected; we thought we could proceed with the remaining directorate.

305. Do you consider that Mr. Lefeuvre and Mr. Robin have resigned?—They have ceased to act; there has been no actual resignation, as in the case of Mr. Grimstone and Mr. Micklethwaite.

306. Who summoned the meeting at which you were present when you signed that petition?—There was no meeting; I have already stated that I was travelling on the Continent, and there was no possibility of calling a meeting, but that the two other directors met together, consulted as to what steps should be taken, decided on addressing this petition, and sent it to me, requesting me if it met my approval to sign it and to have the seal of the company affixed to it.

307. So I understood you to say; in fact the directors were not summoned to any meeting at all?—No, not that I know of.

308. According to your corporate powers you have to call general meetings now and then, have you not?—We have.

309. How often?—As long as we were in working order we had a meeting, I believe, twice a year, that is to say, every six months.

310. When was your last general meeting held?—It is some years back; I do not exactly remember.

311. Sir *Stafford Northcote.*] You appear by the minute book to have had several general meetings called, and never to have had a quorum of shareholders, and never to have done anything?—The difficulty was this: there are a great number of shareholders in Guernsey and Jersey, and it is difficult to induce them to be at the expense of travelling up to London simply for the purpose of holding

Mr. *D. De Quetteville.* 4 July 1870.

ing a meeting; I remember on one occasion coming up with powers of attorney or documents duly signed from a great many of the shareholders.

312. Mr. *Muntz.*] Your cable broke in 1863, did it not?—It did.

313. How long was it before you took any steps to lay down a new cable?—We did so, nearly immediately; the great difficulty in getting a new cable was to get money, and one of the first steps that was taken, was that I succeeded in getting a vote of 12,000 *l.* from the local Government without interest; I equally succeeded in finding contractors, Messrs. Glasse and Elliot, to make an offer for the contract.

314. I do not want to know about that; I only want to know when you began to lay down a new cable?—I suppose you refer to this last cable.

315. One cable broke in 1863, when did you begin to lay down the next?—I think it was in April of this year.

316. That was seven years afterwards; during these seven years you were doing nothing?—Yes, we have been several times on the point of proceeding.

317. Mr. *Hurst.*] Was there ever a board meeting of the directors at all between June 1863, and July 1869?—I believe there were other meetings; I know that I have come up to London for the purpose.

318. According to this minute book it appears that there was a meeting in June 1863, and then the next meeting following in the book is in July 1869?—That must be correct; I will explain why I was under the impression that there had been other meetings; I have been up frequently to London for a board meeting, and I could only meet Mr. Grimstone, so that there was no minute of our forming a board meeting.

319. Sir *Lawrence Palk.*] Did those two gentlemen, who you say authorised you to put your name to that petition, see that petition before authorising you to sign it?—Yes; in fact, they had it longer in their hands than I have had it in mine.

320. Mr. *Webster* (by permission of the Committee).] With reference to the question asked by the honourable Member for Birmingham, had not an arrangement been made some years ago with Sir Richard Glasse for making a cable?—Yes.

321. Mr. *Muntz.*] I find in the minutes of a board meeting: "A proposal has been received from Messrs. Glasse, Elliot & Co."; that is in October 1863, and then the next meeting was held in July 1869. Six years appear to have elapsed while you were considering that proposal?—That was the very proposal I was alluding to which would have been carried out, only that the Government, who ought to have helped it, threw difficulties in our way at every step.

322. Mr. *Webster.*] The shares were fully paid up in 1869, I think?—They were.

[The Witness withdrew.

Mr. *Frederick William Lewis*, sworn; Examined by Mr. *Webster.*

Mr. *F. W. Lewis.*

323. Do you attend from the Joint Stock Company's office?—I do.

324. Do you produce a paper relating to the registration of the Channel Islands Telegraph Company?—I do (*producing a book*).

325. What is the last entry there?—The last return was filed on the 10th of July 1869.

326. Have the returns been regularly filed up to that date?—Yes, they seem to have been so.

327. You have these returns from the company?—Yes.

328. By whom are they signed; if you tell me the last, that will do?—Mr. Bennett.

329. Do they purport to have the seal of the company affixed to them?—They do.

Cross-examined by Mr. Serjeant *Sargood.*

330. These accounts are not the only things that are delivered to your office, are they?—Yes, these are everything.

331. Do you not know anything about their articles of association at your place?—They seem to have been registered without articles.

332. They

332. They were registered without articles, were they?—Yes; they were registered without articles, and therefore the table in the Joint Stock Companies Act applies to them.

333. There is a record of that in that book, is there?—Yes.

334. You say that because they are registered without articles they come under the provisions of the Act of Parliament; will you show me the entry of that?—Yes.

The *Witness* pointed out to the learned Counsel an entry in the book he had produced.

335. Then these persons who are returned from time to time are presumed to be the only shareholders?—That is so.

336. You know nothing about the directors, and their change of office, and so forth?—No, the names of the directors are not filed.

337. You do not get that information at your office?—No.

338. We learn nothing here except that they have no articles, and, therefore, come under the Act of Parliament, and that these have been their shareholders from time to time?—Just so.

[The Witness withdrew.

Tuesday, 5th July 1870.

MEMBERS PRESENT:

Marquis of Hartington.	Mr. Muntz.
Mr. Hurst.	Mr. Neville-Grenville.
Mr. J. D. Lewis.	Sir Lawrence Palk.

THE RIGHT HONOURABLE THE MARQUIS OF HARTINGTON, IN THE CHAIR.

Mr. *Nathaniel John Holmes*, called; Examined by Mr. *Bidder*.

Mr. *N. J. Holmes.*

5 July 1870.

339. YOUR office, I believe, is at Great Winchester-street, London?—It is.

340. You are a telegraphic engineer, are you not?—I am.

341. And you have had considerable experience in laying submarine telegraphs?—I have.

342. I may as well ask at once, so as to identify you, whether you are the Mr. Holmes whose letters to various Government departments have been read?—I am.

343. Will you tell me your first connection with the Channel Islands telegraph?—Mr. Stoffel——

Mr. Serjeant *Sargood* objected, that the witness could not give evidence as to the Channel Islands Company, unless Mr. Henley was first connected with it.

344. Mr. *Bidder* (to the *Witness*).] Will you explain to the Committee your first connection with Mr. Henley's cable?—Mr. Stoffel first called at my office, 7, Great Winchester-street.

345. About when was that?—That would be some time in the beginning or middle of December 1869.

346. What took place then?—He brought with him a sample of insulation, I think, under the name of "Mr. Rogers' Patent," to ask my opinion as to whether it would be suitable for laying down a new communication with the Channel Islands.

347. I believe you expressed an adverse opinion to that?—I did.

348. What happened afterwards; will you explain your connection with Mr. Henley?—My connection with Mr. Henley has been since the year 1846——

349. I mean in this particular thing; never mind other matters?—I mentioned to Mr. Henley this subject of the proposed cable which Mr. Stoffel brought me. He agreed with me that Rogers' Patent was not worth very much.

350. What took place further with reference to the Channel Islands cable?—Mr. Stoffel was introduced to Mr. Henry Sharp, of 92, Gresham House.

351. Mr. Serjeant *Sargood.*] At what date was that?—About the 16th December.

352. Mr. *Bidder.*] Did you meet him at Mr. Sharp's?—I did; he brought a letter of introduction from Messrs. Ashurst's and Morris.

353. Those are the gentlemen mentioned, I think, in the resolution of the old company, which was read?—They are.

354. What took place with reference to Mr. Henley's cable?—At that interview Mr. Stoffel was informed by Mr. Sharp and myself that the capital to lay a new

new line of communication to the Channel Islands would be formed by private individuals, he undertaking to raise a guarantee upon that capital in the islands, so that the gentlemen who found the capital should not altogether have it at their own risk. Similar lines had been carried out by myself upon that principle; such as the Orkney and Shetland line, and the West Highland line down to Campbelltown.

355. Let us make it clear, because it has been suggested that you were contractor for the old company; did you propose to act as contractor for the old company?—Certainly not.

356. You have told the Committee that you were not contracting for the old company; what connection had you, and to what extent, with the old company?—It was proposed to repair the land line——

357. Mr. *Hurst.*] Who proposed it?—We, the association of gentlemen who found the capital, proposed it.

358. Who were they?—Mr. Henry Parkinson Sharp, Mr. John Stewart of the Agra Bank, Mr. William Thomas Henley, and myself. Those were the four gentlemen. Other gentlemen were ready to subscribe had they been required, but they were not asked.

359. Mr. *Bidder.*] Before you go further, what was the connection between you and Mr. Henley?—Mr. Henley had been the contractor for a very large number of lines from year to year in which I have been engaged. I, therefore, naturally, as Mr. Henley was one of my contractors, and had previously made submarine cables, applied to Mr. Henley with reference to the making of the Channel Islands new communication.

360. Then, you having applied to Mr. Henley, will you explain what was the nature of the arrangement which was entered into between you and Mr. Henley, and the other gentlemen whom you have mentioned?—The statement to Mr. Henley was to the effect that it was proposed to renew telegraphic communications with the Channel Islands, and to find the funds privately. Mr. Henley was asked at the time that he was asked to contract what amount of capital he would subscribe towards the total amount required in connection with the other three names submitted to him.

361. And what was arranged?—It was arranged that he found his proportion of the money.

362. Mr. *Hurst.*] What was his proportion to be?—Mr. Henley's proportion was two-thirds, and the other three gentlemen found one-third.

363. What was the amount?—£. 22,500.

364. Mr. *Bidder.*] Am I to understand that the four gentlemen named, yourself, Mr. Henley, Mr. Sharp, and Mr. Stewart agreed together to carry on the affair upon those terms?—We did.

365. Mr. *Hurst.*] Is the agreement in writing?—Yes, it is.

366. Can you produce the agreement?—I have not the agreement here.

367. Mr. *Bidder.*] Is that the agreement (*handing a paper to the Witness*)?—Yes, it is.

368. I see across that written "Cancelled by mutual consent"?—It is.

369. When was that written?—After the applications which I had made personally, and in writing from the date of the stoppage of the "Caroline" up to the time that I saw the First Lord of the Treasury with Mr. Seely, and had no applications. Then I spoke to Mr. Sharp and Mr. Henley, and the agreement was mutually cancelled.

370. Will you give us the date, as nearly as you can?—The correspondence will show the date, but without the correspondence I am unable to tell you. It was a date after my last letter to the First Lord of the Treasury.

371. Mr. *Hurst.*] This paper is dated March 17th?—That is dated March the 17th. It was all arranged, and it has not been signed by Mr. Sharp, who went abroad. He went to Germany for his health. Mr. Stewart was also out of town, but as there was a faith between us gentlemen, it was simply put down in pencil to be signed at any time.

372. Mr. *Bidder.*] But that, I understand, is dated March the 17th?—That is dated March the 17th.

373. When was the agreement originally entered into which was reduced to writing in that paper?—The 18th of December 1869.

Mr. *N. J. Holmes.*
5 July 1870.

374. Will you tell me what steps you took, or whether you took any steps to communicate with the Government offices to carry out your undertaking?—I did.

375. When?—About the commencement of March, personally. Previously to that Mr. Stoffel had informed me that he had, in December, communicated with the Post Office, the Board of Trade, and the Woods and Forests.

376. Were those communications of Mr. Stoffel to the Board of Trade and the Woods and Forests made on your behalf?—Not at that time. Mr. Stoffel made the applications on behalf of the new cable about to be laid.

377. Mr. Serjeant *Sargood.*] On behalf of whom?—The foreshores were asked from the several departments for the purpose of laying the new cable. If Mr. Stoffel used the name of the old Channel Islands Telegraph Company it would have been upon his own responsibility, by reason of its having been agreed that we should make use of their existing land lines.

378. Mr. *Bidder.*] You have told me that the arrangement between you and Mr. Henley and the other gentlemen was made in December?—It was.

379. At that time you were in communication with Mr. Stoffel?—I was.

380. And Mr. Stoffel, as the Committee know, was making the applications to the Government departments?—He was.

381. Will you explain how it came to pass that Mr. Stoffel ceased to carry on the correspondence with the Government departments, and that your name appears instead in the correspondence?——

Mr. Serjeant *Sargood* heard in objection to the question.

Mr. *Bidder* heard in support of the question.

382. Mr. *Bidder* (to the *Witness*).] Do I understand you to say that Mr. Stoffel's correspondence was not upon your behalf?—The correspondence was carried on by Mr. Stoffel without having consulted me, and therefore I am not responsible for any terms in which he chose to address his letters to the several departments. It was carried on on behalf of the proposed new cable; but, had he applied to me, it would have been carried on in the name of the parties proposing to lay down the cable, not of parties who had no connection with us.

383. But was Mr. Stoffel's correspondence, or was it not, carried on on behalf of the Telegraph Association?—It was carried on on behalf of the cable proposed to be laid down by them.

384. Mr. Serjeant *Sargood.*] On behalf of whom was it carried on?—The proprietors of the cable, but he gave him a wrong title.

385. Mr. *Bidder.*] You mean to say that he described the parties for whom he was acting wrongly in his application?—His letter would lead to the inference that the Channel Islands Telegraph Company were laying the cable, which was not the fact.

386. Mr. *Bidder* (to the *Witness*).] Were you in communication with Stoffel at the time he was carrying on that correspondence?—I was.

387. Was there any other cable in contemplation at that time but the one which Mr. Henley was preparing to make?—Not to my knowledge.

388. Will you tell me what terminated your connection with Mr. Stoffel?—Mr. Stoffel visited the Islands of Jersey and Guernsey for the purpose of raising this guarantee. He was provided with the necessary documents for signature by the merchants; but he did not succeed in raising the guarantee. We, therefore, determined to subscribe the money without the necessity of a guarantee, and we had no more occasion for Mr. Stoffel.

389. Who paid Mr. Stoffel for the work which he had done?—I can hardly say who paid; I know that money was sent to him; possibly Mr. Sharp sent it; I did not pay him myself, and I do not know who did.

390. From whose funds would it come?—It would come out of the association. We were all liable for it; but I thing that Mr. Sharp advanced it.

391. Subsequently to that your name appears in the correspondence, and you, I think, yourself applied to the various Government departments?—I did.

392. Will you tell the Committee what took place; I think that besides that correspondence you had interviews with officials at several of the departments, had you not?—Yes, I had.

393. With

393. With which of them?—With the Board of Trade, the Woods and Forests, the Home Office, the Treasury, and the Post Office.

394. I believe your delay was principally at the Treasury, was it not, in the first instance?—The delay was at the Treasury by reason of the matter having been referred to the Postmaster General, and no reply was received.

395. *Chairman.*] No reply had been received from the Post Office?—From the Post Office.

396. When did those interviews take place?—Every second or third day.

397. From what time?—From about the day of my application.

398. What day was that?—About the 1st or 2nd of March I think would be the date of the first application that I made. I may state, as it may save perhaps a good many questions, that not receiving any reply from any of the departments, and at my interviews being told that the delay arose from no communication from the Post Office, I called upon Mr Seely, and I laid the matter before Mr. Seely, who had an interview with Mr. Stansfeld at the Treasury. I laid the matter before Mr. Stansfeld, and he would not believe that I had received no reply. I told him that it was five weeks from the date of the letter, and there was no reply. I called his attention to the fact that the Treasury were not to blame, inasmuch as they had received no communication from the Post Office. He said, yes, you bring it to my mind that that is the fact. He simply said, yes, you are correct; we have no reply.

399. Mr. *Bidder.*] I think, in the first instance, you made no application whatever, did you, in respect to landing the cable that actually was stopped on the shores of Jersey and Guernsey?—I did not.

400. For what reason?—That the previous cable of the old company of 1859 had been laid without any application or written consent from any departments of the Government; and I was informed that the same facilities which had been given to the old company would be afforded to us, and that it was not necessary.

401. Sir *Lawrence Palk.*] Who informed you of that?—Mr. Hawksworth, the solicitor to the old company.

402. Mr. *Bidder.*] In consequence of that did you proceed, without the consent of the Government departments, to lay that cable?—It was because the Channel Islands, I was informed, had always been treated as a colony, and the Patent Act had no jurisdiction as to the foreshore.

403. I must ask you this question, because it has been imputed to you; were your proceedings in constructing and preparing for the laying of this cable in any way for the purpose of creating a claim against the Government?—Certainly not; there was no knowledge of any proposed Bill being brought in at that time.

404. At the time that you and Mr. Henley and the other gentlemen embarked in this undertaking——

405. Mr. Serjeant *Sargood.*] What time do you mean?—December 1869.

406. Mr. *Bidder.*] When you and Mr. Henley and the other gentlemen embarked in the undertaking as to the Channel Islands cable, had you any knowledge whatever of any intention on the part of the Government to extend the Telegraph Act to the Channel Islands?—Certainly not.

407. When had you first knowledge of the intention of the Post Office to introduce this Bill?—About eight or nine days after the detention of the "Caroline." I first saw it stated in the newspapers.

408. Mr. Serjeant *Sargood.*] Will you give us the actual date, as near as you can?—Until I see the correspondence I cannot even say the date of the stoppage of the "Caroline," but I think it was in April. I think it was about the 13th of April.

409. Mr. *Bidder.*] You wrote to the Lords of the Treasury, I see, that part of the cable had been laid down, and it is suggested that you were stating an untruth to the Lords of the Treasury in making that statement; will you explain that?—The "Caroline" left for the purpose of laying the cable, and in due course the cable would have been laid before my letter reached the Treasury had no stoppage taken place.

410. At the time you wrote that letter, were you aware of the stoppage?—Certainly not.

Mr. N. J. Holmes.

5 July 1870.

411. I think that will fix sufficiently nearly the date which my learned friend wishes to have?—Yes, of the letter to the Post Office, not to the Treasury. The letter to the Post Office as to the Start Point landing.

412. The letter to the Board of Trade of the 2nd of April says the first section of the cable between Jersey and Guernsey was laid——

413. Mr. Serjeant *Sargood.*] I understand that on the 2nd of April, when you wrote that, you did not know that the cable had been stopped?—No.

414. Mr. *Bidder.*] You say it was eight or nine days after the cable had been stopped that you were first aware of the intention of the Post Office to bring in a Bill?—It was.

415. All that you had done up to the time when the "Caroline" was stopped when you had actually got your cable made and sent out in her, was in perfect ignorance of any intention of the Post Office to bring in any such Bill?—It was.

416. And it was an ordinary trade undertaking?—A purely commercial undertaking.

417. Out of which, I presume, you expected to make a profit?—We did.

418. You have had, I believe, considerable experience, have you not, in the course of your professional work in communicating with Government departments on the subject of landing cables on the foreshores of the United Kingdom?—I have; I have applied for upwards of 27 in England, and Ireland, and Scotland, and I have always obtained them.

419. Has it ever been treated before as a matter in which the Government considered the trade aspects and commercial aspects of the undertaking, in respect to which the application was made?—So long as the rights of navigation have not been interfered with, the foreshore has always been granted.

420. The departments, I think, according to your experience, have always confined themselves hitherto to those Crown rights and public rights which were intrusted to their care?—They have.

421. Have you ever in your experience previously, had a case of a public department reporting for or against a commercial scheme, on the grounds of competition, or any such grounds?—Never.

422. Mr. *Bidder* (to the *Witness*).] Here is one letter to the Treasury of the 25th April 1870; will you read the letter, and say if you received that letter?—This letter is addressed to me, and is dated the 25th of April, from the Treasury Chambers.

423. Is that a letter beginning, "Sir,—With reference to your letter of the 23rd instant, I am directed by the Lords Commissioners of Her Majesty's Treasury"?—It is.

424. Did Mr. Stoffel hand over to you the letters which he received from the different Government departments?—He did.

425. Did he hand over to you this letter from the Board of Trade, on the Board of Trade paper, marked H4, 688, dated the 16th of December (*handing a letter to the Witness*)?—He did.

426. Did he also give you this letter from the office of Woods and Forests, signed "Charles Gore," of the 11th of January (*handing a letter to the Witness*)?—He did.

427. Did he hand you this letter of the 22nd of December, from the Board of Trade Harbour Department, signed "Cecil Trevor" (*handing a letter to the Witness*)?—He did.

428. Did he also hand you this letter, signed "Frank Ives Scudamore," of the General Post Office, dated the 28th of December (*handing a letter to the Witness*)?—He did.

429. Did he hand you also this letter, signed "Cecil Trevor" from the Board of Trade, dated 1st of February (*handing a letter to the Witness*)?—He did.

430. Did he also hand you this letter from the Board of Trade, dated the 5th of February, also from Mr. Trevor (*handing a letter to the Witness*)?—He did.

431. Did he hand you also this letter from Mr. Trevor to himself, dated the 2nd of April (*handing a letter to the Witness*)?—He did.

432. Did you write this letter, dated the 5th of April, to the Board of Trade (*handing a letter to the Witness*)?—I did.

433. Did

433. Did you write a letter, of which this is a copy, on the 5th of April to the Office of Woods and Forests (*handing a letter to the Witness*)?—I did.

434. Did you receive that letter of the 6th of April from the Board of Trade (*handing a letter to the Witness*)?—I did.

435. Did you receive that letter of the 7th of April from the Woods and Forests (*handing a letter to the Witness*)?—I did.

436. Did you receive as an inclosure in a letter from the Board of Trade of the 6th of April, a copy of a letter purporting to be a copy of a letter from Mr. Lefeuvre?—I did.

437. Subsequently, I think this copy was forwarded to you from the Board of Trade, purporting to be a letter, signed by Mr. Stoffel, and sent to the Board of Trade, and dated the 8th of April, the day after that letter which he had written to you, which you had forwarded to the Board of Trade?—It was.

438. "Sir, I have the honour of informing you that a letter was written, and signed by me, to Mr. Nathaniel John Holmes of, and at, No. 7, Great Winchester-street Buildings yesterday, the 7th instant, the object of which was to invest the cable now stored on board the "Caroline," in the harbour of St. Helens, with the benefit of the applications, plans, &c, for license to land, which have hitherto been conducted by me, by virtue of the resolutions passed by the Board of the Channel Islands Telegraph Company (Limited) in September last, but the letter and the accompanying papers have this day been withdrawn, until such time as the Channel Islands Telegraph Association, represented by Mr. Holmes, will have completed the arrangements previously understood, but over which they demur, since possession has been obtained of the aforesaid letter and papers accompanying." Was that forwarded to you by the Board of Trade as being a letter which they had received from Mr. Stoffel?—It was.

439. What did Mr. Stoffel refer to then, when he said that he withdrew the authority for you to act under his applications until you had completed some arrangements with the old company, which were formerly promised, but which were demurred to?—

Mr. Serjeant *Sargood* heard in objection to the question.

440. Mr. *Bidder* (to the *Witness*).] I see this letter says that the letters and papers "have this day been withdrawn" until such time as the association had completed the arrangements previously understood; what arrangements were previously understood between you and Mr. Stoffel or the old company?—The arrangements simply had reference to what had occurred between Mr. Stoffel and ourselves when he proceeded to the Channel Islands to raise the guarantee; if he had been successful he was to receive so much money from the association for his services; he had not been successful in raising the guarantee and had got into difficulties, and that, therefore, that letter contained an imputed threat that the amount of money we offered him was not so much as he required. It was a pecuniary matter.

441. The arrangement previously understood between you and Mr. Stoffel, being at the time that he was applying for the guarantee, that if he was successful he should be remunerated for securing the guarantee for you?—He would.

442. When was it that he went over to Jersey about the guarantee?—I think about the 21st or 22nd of December 1869.

443. Then the association had made that arrangement with him in December?—Yes.

444. On the 9th of May I have a letter signed "Frank Ives Scudamore," to you, simply acknowledging the receipt of a letter, and giving you no reply?—I received that letter.

445. Then here is another, of the 11th of May, from the office of Woods and Forests, acknowledging your letter of the 7th?—I received that letter.

446. Were you in the room when I read certain letters and communications made by you to the different Government departments?—I was.

447. Were those communications really made?—They were. They are all in order; press copies.—(*The letters were handed in*).

Mr. *N. J. Holmes.*

5 July 1870.

Cross-examined by Mr. Serjeant *Sargood.*

448. Now let us see if I can find out the position of Mr. Henley from you. In the first place, allow me to ask you, have you any connection with Mr. Henley at this moment?—No.

449. In the next place let me ask you, whether all that you did in communicating with the public departments was done on behalf of Mr. Henley, conjointly with yourself and the two gentlemen whom you have named?—It was.

450. Now, let me ask you whether all that Mr. Stoffel did in communicating with public departments was done on behalf of yourself and Mr. Henley, and the other two gentlemen you have named?—I am not able to state what passed in Mr. Stoffel's mind, but the object——

451. I did not ask you that; I am alluding to what passed in Mr. Stoffel's letters, and not to what passed in his mind.

Mr. *Bidder* heard in objection to the question.

Witness.] I may at once state that Mr. Stoffel was not aware of the names of the parties who were finding the money, consequently he could not make the application on behalf of Mr. Henley, myself, Mr. Sharp, and Mr. Stuart. He did not know who they were; it was A., B., C., and D. to him.

452. *Chairman.*] Did Mr. Stoffel act on behalf of those gentlemen?—Certainly.

453. He acted on behalf of you and the other gentlemen named?—I was the agent in the matter, and all the communications between Mr. Stoffel and the association were carried on through me.

454. Mr. Serjeant *Sargood.*] On behalf of yourself and the three other undiscovered gentlemen?—They were. That was the intention of Mr. Stoffel's application.

455. Was there any point of time at which you desired to repudiate Mr. Stoffel as your agent in his communications with the public departments?—When Mr. Stoffel received no reply he handed me his letters, and the answers which he had received, informing me that he had made applications to the three departments at certain dates; that no reply had been received, and that in the meantime the cable had been made, and was about to be sent to its destination; I therefore personally took upon myself to try and obtain the foreshore.

456. I repeat my question; having accepted Mr. Stoffel as your agent at the beginning of his correspondence, is there any point of time at which you desire to repudiate him as having been any longer your agent?—After he had been unable to obtain the guarantee, he had not fulfilled that part of his contract which he went to do.

457. I repeat my question, for the third time, is there any point of time at which you desire to repudiate Mr. Stoffel as being your agent in his communications with the public departments?—No, certainly not.

458. How easy it would have been to have said that at first?—I beg your pardon; I misunderstood the question.

459. It was my fault, perhaps, and not yours. Now will you tell me, Mr. Henley having been appointed with you under that written agreement which you put in, the point of time at which you and your two other friends became dissociated from him; in other words, when was it that by an indorsement on this agreement, you cancelled your existing state of relationship?—About three weeks or a month since, I think. I will not speak very accurately, but it is comparatively recently.

460. Sir *Lawrence Palk.*] I have it on my notes that it was the 27th of April?—I will not speak accurately as to the date, but that handwriting across the deed is my handwriting.

461. Mr. Serjeant *Sargood.*] As it is within three or four weeks back, try and tax your memory more accurately, and tell me the exact date when this endorsement was made, and you dissolved your connexion?—It may be longer than three or four weeks, because I find I had been out of town more than that time, and it was previous to my going out of town, but I cannot speak exactly as to date.

462. I must have, as nearly as you can, some notion as to when you dissolved this

this association; you know we are now at the 5th of July?—It might be some time in May, possibly the end of May.

463. It might have been any time; tell me as accurately as you can pledge your word to it, when it was?—I really have no means of giving you the date any more than that it was certainly five weeks since. It may have been earlier.

464. Why do you suggest the end of May rather than the beginning?—I am merely guided now by the period I have been out of town, and I know it was just before that.

465. To the best of your belief, was it the end of May?—I think about that time, but I really could not speak with certainty. Mr. Sharp most likely would know the date; I think it was about the end of May.

466. Sir *Lawrence Palk.*] Then the 27th of April is wrong?—Certainly, the 27th of April is wrong.

467. Mr. Serjeant *Sargood.*] It being about the end of May, was it before or after Mr. Henley lodged a petition in his own name?—It was before.

468. It was done for the purpose of enabling him to lodge the petition perhaps?—Not at all.

469. Whose writing is this, "Cancelled by mutual consent, Nathaniel Holmes"?—My own.

470. Who was present when you did it?—Merely Mr. Sharp and myself; I had previously spoken to Mr. Henley on the subject, that is to say, that as the cable was not able to be laid, there was no fulfilment of the contract. The cable had been stopped by the Government, although the ship had been detained for a great many weeks, it could not be got down, and therefore the thing was cancelled.

471. Then the cable had not been laid, or any part of this thing done, at the time when you cancelled the contract?—No.

472. You are quite clear upon that?—Quite clear upon that. There was no prospect, as far as I could see, of its being laid, and that being the case, Mr. Sharp agreed with myself that the contract had not been fulfilled for which we had subscribed our money.

473. Then your impression being that this was cancelled at the end of May, your notion also is, that whoever laid down the cable, or any part of it, has done it since the end of May?—I was out of town at the time the cable was laid down by the "Caroline," and therefore I cannot say.

474. You believe that it has been done since?—The laying of the cable?

475. Yes?—It might have been done at that time.

476. No doubt, but I am asking your belief?—At the time that was cancelled I certainly had a belief that no part of the cable had been laid.

477. Supposing that you have a belief now that any part of the cable has been laid, your belief is, that it has been done since this contract was cancelled?—Certainly.

478. Now let me see if I can learn what the meaning of this agreement between you all is. In the first place, the agreement itself has no date to it, but the parties who were to sign it were four in number, and had to contribute certain sums; I see they have put their names in a schedule with the respective sums which they had to contribute?—Yes.

479. And against one name, that of Mr. Nathaniel Holmes, yourself, is appended "March 17th"?—It is.

480. Did you put your name to this piece of paper on that 17th day of March?—I did.

481. Who had prepared the document?—I had prepared the document some time previously.

482. This sheet of paper?—That sheet of paper.

483. Sir *Lawrence Palk.*] You stated that no part of the cable was laid after the cancelling of the agreement, did you not?—I think so. It might have been laid prior to it, but I was not aware that the "Caroline" had laid any.

484. Mr. Serjeant *Sargood.*] You had written this thing yourself, had you?—I had.

485. This is your handwriting?—It is.

486. You had had it in your possession for some time before you signed it?—I had.

Mr. *N. J. Holmes.*

5 July 1870.

487. For how long?—I cannot say. Mr. Henley had it for some time before I received it from him.

488. Did you sign it on the 17th of March as soon as you got it back from Mr. Henley?—I did.

489. How long had he had it in his possession?—I am not able to state how long, because it had been waiting for Mr. Sharp's signature for more than a month.

490. Can you not tell me within a week or a month?—I cannot state; it had been lying about, and it has not even yet been signed by Mr. Sharp or Mr. Stewart, because both are out of town.

491. Then Mr. Henley signed it first, and you cannot tell me when; is he here?—He is.

492. After you had written it out did you keep it in your possession until you sent it to Mr. Henley for signature?—I did.

493. How long?—That I am not able to state; it went to Mr. Sharp first.

494. How long did he keep it?—Mr. Sharp, I think, kept it some weeks.

495. Then, adding Mr. Sharp's some weeks to your weeks and Mr. Henley's, how long before the 17th of March had you written this piece of paper?—I am not able to state; a good deal of delay arose from my being out of town myself; the matter was in my hands, and I frequently went out of town in a great hurry, and left all those things unfinished.

496. Did you write it in December?—No, I do not think I wrote it in December.

497. Did you write it in January?—I will not even swear to that; it was understood between us in December with respect to the amount of money which we were to subscribe.

498. Did you write it as early as February?—I will not state that; but I will answer the question by saying that Mr. Henley frequently applied for that document.

499. I am sure you will excuse me, and will not think me captious, but you know, as you signed it in March (and you have already suggested an interval of a great many weeks), I am surprised to hear you say that you cannot tell me whether you prepared it as early as February?—The draft of that agreement was prepared——

500. I do not speak of a draft; I speak of this piece of paper?—The draft of that agreement was prepared and agreed to between Mr. Sharp and myself as early as December; the writing out of that piece of paper was entirely dependant upon my being in London, and my absence from London is so frequent that I really cannot say the exact date at which I wrote it.

501. Mr *Hurst.*] Can you produce the draft?—I cannot; I think it was only a pencil draft.

502. Mr. Serjeant *Sargood.*] Did you use the pencil draft in copying this?—I did.

503. Do you mean to say that you cannot tell whether you wrote it as early as January, or February, or March, you signing it on the 17th of March?—I really cannot state the date at which I wrote it; it might have been lying about for some weeks.

504. I will read it: "It is hereby mutually agreed between the undersigned that they shall respectively contribute towards the contract price of 22,500 *l.* for a cable." Now, I will first ask you to tell me what is meant by "the contract price"?—The contract price is the lowest sum at which the article required can be manufactured in that document.

505. The contract price is specified at 22,500 *l.* Who had made a contract to make a cable for 22,500 *l.*?—Mr. Henley had stated that he would make a cable, and lay it for 22,500 *l.* Upon going over the estimates and specifications I found that that was the net cost of material and labour.

506. Then you thought it a cheap contract?—A cheap contract.

507. Mr. Henley, then, had said that he would make a contract?—He did.

508. To whom had he communicated his intention to undertake the cable at that price?—To Mr. Sharp and myself.

509. When?—In December.

510. Do you know whether there had been any proposal that he should make one

one for the old company, as we call it; the Channel Islands Company?—I do not know.

511. Then, on the date in December, when you and your friend met Mr. Henley, you tell this Committee that you do not know whether or not you had had any communications with the Channel Islands Company?—I knew that he had sent in a tender to Messrs. Ashurst and Morris at some previous date (I think in October or November) upon the same subject of restoring the communications, but then the capital was not forthcoming to pay for it.

512. Then you did know that Mr. Henley had made a proposal of laying a cable at a fixed price, and had made that proposal to Messrs. Ashurst and Morris?—I did.

513. Did you know on whose behalf Messrs. Ashurst and Morris had been treating with him?—No, not then.

514. You say that advisedly?—I do.

515. Then you had no knowledge that Messrs. Ashurst and Morris were acting in any way on behalf of the old company?—No, I had not come into connection with this undertaking at the time of Mr. Henley's offer to them.

516. You did not know it as a fact?—I did not know it.

517. Then you did not know, of course, that 22,500 *l.* was the contract price which Mr. Henley had suggested for the old company?—No, certainly not.

518. And, of course, the words "The contract price of 22,500 *l.*" you intend now to say——

Mr. *Bidder* inquired whether that 22,500 *l.* was the contract price to the old company.

Witness.] The 22,500 *l.* there, has reference to the specification for that particular cable.

519. If this was a specification of a contract, with whom was the contract made?—The contract was to be made with the association.

520. That is, Mr. Henley, you, Mr. Sharp, and another gentleman?—It is.

521. The contract was to be between Mr. Henley on the one side, and himself and you, Mr. Sharp, and another, on the other side?—It was; therefore, the sum of 22,500 *l.* was very narrowly watched as the cost price of making and laying without profit.

522. Now I will go on reading: "For a line of cable to be laid down between Start Point" (that is on the margin of this country), "and the Islands of Jersey and Guernsey, in the respective amounts set opposite their respective signatures ereto, and which contract price of 22,500 *l.* the contractor, Mr. Henley, duly declares is the net price of the manufacture and laying down the cable, without any profit whatever, and that they will respectively pay the several amounts at such times as may be required to complete the contract, and that they will respectively subscribe *pro ratâ* such additional amount as may be necessary for the erection of the several sections of land line to work the said cable." Then that was to be an additional contribution after the 22,500 *l.*?—It was; it was an undefined sum being in the hands of the Post Office on this side, and there being the repairing of the old lines on the other.

523. When did you first hear anything about the old company undertaking, thinking of laying down a fresh cable in the place of the one which they had lost?—Several times during the last three or four years.

524. But, I mean, when did you first hear of it, or was it about the period when you and your friends were making this agreement?—It was about the 16th of December when Mr. Stoffel first called upon me.

525. At present you see we have not Mr. Stoffel on the scene in connection with this Bill; had you seen Mr. Stoffel before you had made your agreement with Mr. Henley, and Mr. Sharp, and Mr. Stewart?—Certainly.

526. You had made this agreement before you ever saw Mr. Stoffel at all?—No, I saw Mr. Stoffel first; that took place after Mr. Stoffel had been to me and the meeting at Mr. Sharp's. Mr. Stoffel was told that the question would be raised.

527. When Mr. Stoffel came to you what did he come for, or did you send for him?—No; he had been endeavouring to raise the capital under the minute

Mr. *N. J. Holmes.*

5 July 1870.

of the board of the old company, authorising Messrs. Ashurst and Morris to take such steps as they thought necessary to restore the communication.

528. Did he tell you that?—He did.

529. In December?—In December.

530. Mr. Stoffel in December told you that he had been trying to raise the capital which Messrs. Ashurst and Morris were authorised to raise on behalf of the old company?—He did; he brought a letter of introduction from Messrs. Ashurst and Morris to Mr. Sharp and myself, as he thought we would be able to provide the capital as we had done for other lines of the same nature.

531. Then it looks very much as though Mr. Stoffel, aiding Messrs. Ashurst and Morris in raising capital for the old company, found his way to you and your friends under the notion that you might be able to help him?—Certainly.

532. You do not now affect that you did not know that Messrs. Ashurst and Morris were acting for the old company?—I certainly answer as I did before, because at that time I had not seen a copy of the minutes.

533. You do not now pretend to say that you did not know that Messrs. Ashurst and Morris were acting for the old company?—Certainly; I simply knew from Mr. Stoffel that attempts were being made to restore a Channel Islands communication; the old company was not mentioned.

534. You have first told me that Mr. Stoffel's mission to you was to tell you that Messrs. Ashurst and Morris were attempting to raise capital for the old company, and that he was helping them, and came to you thinking you would help him?—I think I did not state that I stated that Mr. Stoffel called upon me with the view of restoring the communication with the Channel Islands, and that Messrs. Ashurst and Morris had the matter in hand, or to that effect; but I do not think that I stated that he was acting for the old company.

535. Do you, or do you not, mean to tell this Committee that in December, as the result of your interview with Mr. Stoffel, you did not know that Messrs. Ashurst and Morris were acting on behalf of the old company?—Certainly; because the object of Mr. Stoffel coming to us was to raise money, without reference to the old company.

536. When you say "certainly," do you mean certainly yes or certainly no; do you, or do you not, mean to say now that you did not know then that Messrs. Ashurst and Morris were acting for the old company?—Certainly not.

537. You do not mean to assert it now?—Certainly. I never asserted it, but I stated simply that Mr. Stoffel brought a letter of introduction from Messrs. Ashurst and Morris to Mr. Short and myself, with one object, and that object was to raise money, as an independent investment, to lay down a new line; that they were endeavouring to restore the communication, and they had not succeeded in raising the money.

538. Then did you believe at that time that Messrs. Ashurst and Morris were entering upon a speculation unconnected with the old company?—Nothing was mentioned about their acting for the old company.

539. I am asking you what you believed?—I never thought twice upon the subject as to whether they were acting for the old company or whether they intended to act, as an independent matter, to lay a new cable. They came to us as independent individuals to raise a fresh capital, totally unconnected with the old company, and to lay down a new line of telegraph entirely independent of the interests of the old company, except so far as we might find their existing land lines were in order. It was not known at that time that those land lines were in order, as they had been lying dormant for seven years, and therefore we could not tell.

540. He came to you, and you believed that Messrs. Ashurst and Morris were perfectly independent of the old company?—Certainly.

541. Have you that letter of introduction?—No, it was a letter of introduction signed by Mr. Ridley.

542. Where is it?—Mr. Sharp may have it. It was simply three lines: "Allow me to introduce Mr. Gustavus Stoffel to you on a matter connected with telegraphic communications." That is about the contents of it.

543. Did you ever hear of a gentleman named Bullivant?—I have heard of his name.

544. Is he a manufacturer of cables?—Not to my knowledge.

545. Does he undertake to manufacture them, or to get them manufactured?—I have never heard very much of him, except in the earlier days of the old Atlantic

Atlantic in 1857. I think his name was mentioned then. I have not heard of his having made or laid any cables. Mr. *N. J. Holmes.*

546. In 1869 and 1870, did you ever hear of his undertaking a contract for the old company when they thought of laying their cable again?—No, I never heard of that. 5 July 1870.

547. Just do me the favour to tell me if this is in your handwriting (*handing a paper to the Witness*)?—It is.

548. "Great Northern Telegraphs, 7, Winchester-street, 1st February 1870," addressed by you to Mr. Bullivant, whose name I have just mentioned. He lives at 114, Fenchurch-street, I suppose?—I believe so.

549. "Dear Sir (Jersey Telegraphs), Mr. Lefeuvre has called upon me this morning with reference to some correspondence in the paper regarding the above line, and I mentioned to him that Mr. W. T. Henley, of No. 27, Leadenhall-street, would be very happy to sub-contract with you to make up some portions of the Channel Islands cable, as I knew he had a machine or two idle, which are waiting for some large contracts from us. Mr. Lefeuvre has stated that he would ask you to call upon him, and as Mr. Henley is well known to me, you can use my name to him in the matter. It may facilitate business, as Mr. Henley has made several large cables for us, and has more contracts in hand. I shall be glad to learn that yourself and Mr. Henley have come to terms so as to get the Channel Islands cable promptly and efficiently laid." Then you say that Mr. Bullivant is a gentleman who does not make cables. You never knew him to undertake to do them. Mr. Henley is a man who does make cables, and so you sent Mr. Henley to Mr. Bullivant to help Mr. Henley to get his cable made. What is the meaning of all that?—The meaning is very simple. Mr. Bullivant was not known to me as a cable manufacturer; indeed I was not aware that he possessed any machinery. If my memory serves me rightly, I was asked by Mr. Lefeuvre, I think, whether Mr. Henley would make the cable. I said, "I have no doubt Mr. Henley will make the cable. Mr. Henley is an open contractor in the market, and will make anything as a contractor in the way of business. He has large machinery, and if his machines are idle he will make for anybody and everybody."

550. But it is suggested by this letter that Mr. Henley should be a sub-contractor under Mr. Bullivant?—Certainly; if Mr. Bullivant had the contract from the Jersey Telegraph Company, as appeared from the prospectus, and had no machinery, Mr. Bullivant was very anxious to obtain a sub-contract from a contractor who had machinery, and not only that, Mr. Bullivant appeared to like that arrangement; but he has also applied to Mr. Henley for the use of the "Caroline" to lay down the cable, not possessing a ship. It was a mere business transaction.

551. Then at this moment you have some such idea in your mind as that Mr. Bullivant contracted to make a cable for what I call the new company, the Jersey and Guernsey?—It was announced in the public papers.

552. And you thought your friend, Mr. Henley, might probably be a sub-contractor, and make the cable for him?—I thought it possible; there had been some kind of verbal understanding to that effect.

553. Mr. Lefeuvre, who was at one time, and I believe always has been, connected with the old company, was also a very active gentleman in the new company, was he not?—He was.

554. Is it within your knowledge whether Mr. Henley sent in a tender to the new company, as also Mr. Bullivant had done?—That I am not aware of.

555. Has not your intimacy with Mr. Henley enabled you to know that?—Mr. Henley does not inform me of his business, except upon business which brings him in connection with me.

556. Did you see Mr. Henley after writing this letter, introducing him to Mr. Bullivant?—I am not certain; I do not think I did. I do not know that I saw Mr. Henley upon that subject, neither am I aware whether Mr. Bullivant called upon Mr. Henley.

557. Whether Mr. Henley called upon Mr. Bullivant you mean?—I do not think Mr. Henley called upon Mr. Bullivant; Mr. Bullivant would call upon Mr. Henley.

558. Then whether or not Mr. Henley's was a competitive tender with Mr. Bullivant's to the new company, you do not know?—I do not know at all.

559. But you thought that Mr. Henley might be useful to Mr. Bullivant in making

Mr. N. J. Holmes.

5 July 1870.

making the cable?—As a sub-contractor having machinery at his disposal, I may state in reference to that letter, that in my applications both to the Board of Trade and the Treasury, I have always stated that the company had no objection to the cable being laid.

560. Then let me askyou this; when you four gentlemen had made a cable that was to cost 22,500 *l.*, what were you going to do with it?—Retain it on the revenue of the lines; upon the working of the lines.

561. What lines are you talking about?—The cable when laid down; of course when that cable was laid down a traffic would have ensued. In order to guard ourselves against the contingency of loss, we sent Mr. Stoffel over to raise a guarantee upon the capital of 5 or 6 per cent. Mr. Stoffel failed to do that, and we risked the money without the guarantee. The cable being laid, we should then have only the traffic to reimburse us.

562. This document not showing what was to be done with the joint cable when it was made, did any bargain exist between you four gentlemen as to what you should do with your cable when you had manufactured it at this cost? —Work it on our own account.

563. There is nothing about that here; was that a verbal agreement between you?—It was understood, because an application had been made to the Post Office by the Government with regard to the working of the cable on the English side.

564. Was there a verbal agreement between you four that you should lay down a cable as telegraph owners, and work it as a telegraph between the two countries?—Certainly.

565. At your own risk and on your own responsibility, quite independently of any other company?—Certainly; we had engaged the clerks for the island for that purpose, but that the Post Office, we presume, would have worked it on the English side.

566. You probably, as you are not a maker of cables, cannot tell me when this cable, if it does exist at this moment, was manufactured?—The manufacture of the cable was not commenced in December, so far as I can remember, because Mr. Henley was very busy with some large contracts for the Maintenance Company; but the moment any of his machines were idle he took it up. A cable has been lying for some time at North Woolwich, a portion is now laid between Jersey and Guernsey, and another portion is on the "Caroline."

567. But can you tell me when the telegraph cable was made; this identical cable which is to cost so much money?—No, I cannot tell you at what date Mr. Henley commenced it.

568. Can you tell me the date at which it was finished, supposing it ever has been finished?—Nor the date at which it was finished.

569. Can you tell me the date on which it was put on board ship?—I cannot, because I was out of town.

570. Nor when any part of it was taken out of the ship and laid down between the two islands?—I cannot tell you when it was laid.

571. Have you no idea?—A portion of it was taken out recently. I do not know when Mr. Henley finished the cable or his machines, or when he packed it on board the "Caroline"; I only know that in my correspondence with the Board of Trade, I stated that the "Caroline" had sailed.

572. Do you know that of your own knowledge, or because Mr. Henley told you?—Because he told me.

573. Then you do not know of your own knowledge when any part of it was laid down?—Certainly not.

574. Do you know of your own knowledge whether any portion of the cable came back again?—Certainly; I have seen part of it on board the "Caroline" with the Scilly Islands cable.

575. As you know nothing about the cable, I will not follow that out. When you sent Mr. Stoffel to help you to raise this capital, was he employed by you to raise it as a new capital, independent of all companies, for a private speculation of you four gentlemen?—Mr. Stoffel was never employed to raise capital; he was only employed to raise a guarantee upon the capital which was promised to be raised.

576. What was Mr. Stoffel's connection with your association?—Merely to get the guarantee, for which he would receive a certain sum if he succeeded.

577. Merely

577. Merely to get the guarantee to aid you in the formation of the capital, and to correspond with the public departments for the necessary consents?—Not to aid us in raising the capital, because the capital was promised before we left.

578. To try and get an indemnity?—To try and get an indemnity to cover us in case the traffic should be less than we thought.

579. Then let me be quite clear; Mr. Stoffel's connection with your association was to try and raise a guarantee in the islands, and to communicate with the public departments for the necessary consents?—Certainly.

580. And that was all?—Yes, to my knowledge.

581. And for nobody else?—For nobody else.

582. I will ask you to explain a letter which you wrote to the Board of Trade, dated the 6th of May 1870: "I have to acknowledge your letter of the 5th instant; in reply I beg to state that Mr. Stoffel is not in any way connected with either the Channel Islands Telegraph Company (Limited) or the above association"; the words above being "the Channel Islands Telegraph Association." Was that statement to the Board of Trade true?—It was.

583. That he was in no way connected with the Channel Islands Telegraph Association?—It was. Mr. Stoffel had left the island, because he had not been successful in obtaining the guarantee, and we had closed with him.

584. Then did you intend the Board of Trade to understand that Mr. Stoffel at that particular hour was not connected with you, or that in his previous correspondence he never had been connected with you?—At that particular time.

585. Did you intend the Board of Trade to understand that he was not connected with you at this particular moment, or that he had not been connected with you in his previous correspondence?—At that particular moment.

586. And not to repudiate his connection in his previous correspondence?—Certainly not.

587. This is a letter that you received from Mr. Trevor, in which he says, "Referring to previous correspondence on the subject of landing a cable at Start Point, I am directed by the Board of Trade to transmit to you copy of a letter which has been received from Mr. Stoffel"; then this is the copy of the letter from Mr. Stoffel withdrawing his authority to you to represent the old company?—That is quite correct.

588. Now, you say, that in writing your answer, and saying that Mr. Stoffel was neither connected with the old company nor the association which you represent, you intended them to understand it as applying to that particular hour, and not to the question of the previous correspondence, about which the Board of Trade wrote to you?—Certainly.

589. Then did you intend to mislead them?—Certainly not; I went and personally saw Mr. Cecil Trevor on the subject myself.

590. I am talking of your letter, not of the personal interview; how do you reconcile that with the very next paragraph in this letter: "Any letter addressed to the Board of Trade, under date the 8th of April, is therefore a personal communication, and has not been written by any authority, either written or implied, from the Channel Islands Telegraph Company (Limited) or the above association"; how do you harmonise that with your idea?—In a very simple manner; Mr. Stoffel wrote the letter on the previous day; I think you will find the date is the 7th of April, where he alleged the correspondence that he had written for the landing places to be handed over to him on my application. At that time it was undecided what amount of recompense Mr. Stoffel should have, for, although he had not succeeded in getting the guarantee, there is no doubt that he had spent a great deal of time, and a certain amount was proposed; I think it was 250 *l.* When he found that he was to get only 250 *l.*, he thought that was insufficient. He had got into difficulties, and he has since become bankrupt. Mr. Sharpe considered it quite sufficient; but in a fit of indignation Mr. Stoffel went away without a word to anybody, and sent that letter to the Board of Trade. He had no authority from me to cancel his letter.

591. How do you reconcile your statement in this letter that his previous communication is the unauthorised one, you having just told the Committee that you intended the Board of Trade to believe that it was all authorised, except up to that hour when you repudiated it?—I think you are decidedly under an error there; I did not repudiate the letter of the 7th; I repudiated the letter which Mr. Stoffel had written to the Board of Trade cancelling the previous letter on the 8th. That

Mr. *N. J. Holmes.*
5 July 1870.

8th. That letter was not written by any knowledge of the association or myself; it was written by Mr. Stoffel from his office.

592. Then do you acknowledge Mr. Stoffel up to the 7th of April, and repudiate him from and after the 8th of April?—On the 7th of April Mr. Stoffel came to a final arrangement with ourselves, and he withdrew on the 7th.

593. Do you acknowledge him up to the 7th, and repudiate him from and after the 8th?—I do. Up to the date at which Mr. Stoffel wrote the letter to the Board of Trade, alleging that his previous applications were part and parcel of mine, I acknowledge him.

594. Then any letter addressed to the Board of Trade, under date of the 8th, is therefore a personal communication, and not written by authority; do you repudiate him from and after the 8th of April?—I repudiate him on the face of the letter, dated the 8th. At the present moment I am not able to state whether the letter written to the Board of Trade was dated the 8th or not. My impression is that it was dated the 7th; but had it been dated the 8th, I do not repudiate the first communication. I repudiate Mr. Stoffel's authority to cancel that communication.

595. Let me invite your attention to this thing which Mr. Stoffel had given you. You write on the 7th of April to the Board of Trade, in a letter dated from your association in Winchester-street, and you say, "I enclose the official papers from Mr. Stoffel, who was duly authorised to act for the company;" what company did you mean by that?—Our own association. The official papers, you will observe, are the minutes which were passed authorising Messrs. Ashurst and Morris to raise the independent capital.

596. Do not let me take you at a disadvantage. I will give you time to think. "I enclose the official papers from Mr. Stoffel, who was duly authorised to act for the company." What company do you mean?—It may have two meanings.

597. I know it may. What company do you mean?—It may be taken that he was——

598. I will not take that answer. What company do you mean?—I cannot say what company I mean there, because the minute——

599. Did you not mean the old company, the Channel Islands Telegraph Company?—I can hardly mean the old company, seeing that the capital was not found for the old company.

600. Then, did you mean the new one, the Jersey and Guernsey Company?—It certainly did not mean the new one, as he had no connection with it.

601. Did you mean your association?—I might have meant the association, and I might have meant that he was authorised to act in the interests of the old company, which were so far connected with us, inasmuch as our new cable would restore their communication.

Mr. *Bidder* applied that the letter on which the witness was being cross-examined should be put into his (the witness's) hands.

Mr. Serjeant *Sargood* declined to comply with Mr. Bidder's request.

The Committee ruled that it was unnecessary that the letter should be put into the witness's hands.

Witness.] I perfectly recollect the letter; and the difficulty of answering the question is apparent, because the minutes authorise Messrs. Ashurst and Morris.

602. Mr. Serjeant *Sargood.*] Now, I will read the words again, "Mr. Stoffel, who was duly authorised to act for the company by a minute of the board;" to what company did you refer then?—My impression is that I referred to the interests of the old company, under the minute of which I enclosed a copy.

603. Then you referred to the old company?—The old company did not connect themselves with the minute.

604. I did not ask you that; did you refer to the old company?—I referred to the minutes of the old company.

605. Did you refer to the old company?—The old company passed a minute.

606. Mr. *Hurst.*] Surely it is a very simple question. You used the words "The company;" what company did you mean?—When I wrote the word "company," I certainly had no conception that it would be construed in that way;

way; I certainly referred to the minutes. I enclosed the minute which explained the circumstances.

607. You meant the minutes of the old company?—Of the old company.

608. *Chairman.*] The company, for which Mr. Stoffel was duly authorised to act, was the old company?—No; he was authorised to act by Messrs. Ashurst and Morris.

609. Mr. Serjeant *Sargood.*] You say he was authorised to act for the company by the minutes of the board; did you mean the minutes of the board of directors of the old company?—Certainly; which I enclosed; but those minutes did not authorise Mr. Stoffel to act for the company.

610. I want to know what you wished to convey to the minds of the Board of Trade?—I sent the minutes for their own construction. They had the copy of the minutes.

611. I am talking of your letter, and not of the copy of the minutes?—I refer to the minutes. I enclosed the minutes.

612. "I enclose the official papers from Mr. Stoffel" (and then you give him a character), "who was duly authorised to act for the company by a minute of the board to that effect." Did you, with this letter, send a copy of that minute of the board?—Not with that letter, but afterwards; because at that time I had not received it.

613. Did you send it a month afterwards?—When I was able to procure it. I knew the purport of the minutes.

614. You have not seen it up to this hour, of course?—I have not seen it, but I have heard of it.

615. You sent them this paper, signed by Mr. Stoffel, dated April 7th, and addressed to "N. J. Holmes, Esq." "Dear Sir,—(Channel Islands Telegraphic communication)" (that is the new name for the company or the association), "being duly authorised by minutes of the board of the Channel Islands Telegraph Company (Limited), of the 11th of September 1869, duly entered into their minute-book, to undertake such negotiations, and perform such acts as I might deem necessary for the renewal of telegraphic communication between the Channel Islands and Great Britain, and under which authority I have made the necessary application to the Board of Trade and Post Office for the foreshore rights under the Crown's prerogative and the transit service. I hereby authorise you (Mr. Holmes) to apply for and receive, in the name of the Channel Islands Telegraph Association, such foreshore, and transit permission, and way leaves, as had been applied for by me in the name of the Channel Islands Telegraph Company (Limited), by virtue of the minutes above referred to." Now, you accepted that from Mr. Stoffel, did you not?—Certainly.

616. Did you think you wanted it or needed it?—Mr. Stoffel——

617. Answer my question, "Yes" or "No," and then explain what you like?—Yes, certainly, Mr. Stoffel had made the applications in December to the Government departments without, as I have stated already, referring the matter to me. If Mr. Stoffel made them in the name of the Channel Islands Telegraph Company, that was his own mistake. He never communicated with me; they had not found the capital.

618. I am not talking about capital, but I am talking of facts?—That is a fact, that the Channel Islands Company had not established a capital to lay the new line. The parties who owned the cable, and who found the money, were the right parties to whom the foreshore should have been granted. If Mr. Stoffel misinterpreted the tenor of the minutes which authorised Messrs. Ashurst and Morris to appoint any party they chose, and they appointed Mr. Stoffel to act for them, and to do whatever was right in the interests of the old company, without involving the old company, I was not responsible, but when I came to deal with the Board of Trade, and had a personal interview with Mr. Cecil Trevor, he stated to me that Mr. Stoffel had made the applications in the name of the old Channel Islands Telegraph Company, and I must, therefore, identify myself with that application, as Mr. Stoffel had done it; therefore, I required that letter. Mr. Stoffel had made an error, and I wished it to be put in a proper way correctly.

619. That means that you wanted two strings to your bow?—Certainly not; we never had two strings. The old company were never mentioned

620. Mr. Stoffel's first communication with the Board of Trade, on the 13th of December, runs thus: "Having contracted with the Channel Islands Tele-

Mr. N. J. Holmes.

5 July 1870.

graph Company (Limited) for laying a new submarine telegraph cable between the Channel Islands and the United Kingdom, I beg to make application to you for the consent required." Did you think it all a blunder?—Mr. Stoffel might be a very sanguine man, but he had not raised his capital; he had contracted for the cable.

621. There is not a word about capital; he says he is acting on behalf of the Channel Islands Company, the old company, in asking for leave to lay a cable?—Then he must have raised his money, because the minutes which authorised him, stated that the capital must be raised; under the minutes under which Mr. Stoffel was authorised to act as agent, he must have raised his capital. No doubt, he was of a sanguine turn of mind. He had not raised his capital.

622. He writes and asks for leave on behalf of the old company, and not of the association; do you mean now to say that your agent made a gross blunder, and did not know for whom he was acting?—He interpreted the minutes, which were the only authority upon which he could apply to the Board of Trade, in his own way.

623. You mean to say that he made a gross blunder, and that he did not know whether he was acting for the association or for the old company?—Certainly I do; for the parties who found the money, and who ought to have been the parties to receive the foreshore.

624. Then Mr. Stoffel being your authorised agent to act on your behalf, began in December and ended in April, always acting for the old company, and forgetting that he was working for you?—I can explain to you why these mistakes have arisen; the mistake is very simple. At that time our Peterhead communications from Norway was broken, and I was away the whole of December mending our Northern cable. Mr. Stoffel had undertaken to communicate with the Government Departments, and he did it in his own way; I was not in London at the time to be consulted.

625. I think we have sifted out where the blunder is; how it arose other people must judge?—I should wish the Committee to understand that during nearly the whole of December, except two or three days, I was at Peterhead restoring the broken cable, and I therefore was not in London at that time, and that accounts for the delay in the agreement, and also this matter of Mr. Stoffel's misinterpretation of the minutes.

Re-examined by Mr. *Bidder*.

626. You say that at the end of the year, when the correspondence was going on, you had to be absent upon other business?—Very important business, because we had nearly 100,000 *l.* at stake in the North Sea.

627. And I understand you to say that the communication forwarded by you, and written by Mr. Stoffel, authorising you to take advantage of his former applications was in consequence of your interview with Mr. Trevor, and his informing you that it was necessary that you should identify yourself with Mr. Stoffel?—He said the application had been made in the name of the Channel Islands Telegraph Company; I explained to Mr. Trevor the nature of Mr. Stoffel's connection with us, and he said I must identify myself, as I was now making application personally with the former application.

628. You have been asked a good many questions about that agreement; are you quite clear, as you stated in your cross-examination, that the original pencil draft was made in December?—Yes; I am quite clear as to that, because it was always intended to have had it signed immediately, and Mr. Henley or Mr. Rogers was frequently asking me for the document, and I excused the delay on account of my absence.

629. The substantial agreement took place between you in December, did it not?—It did; at the time that the question of laying the cable was settled.

630. And whatever the form of Mr. Stoffel's applications was, you were trusting to Mr. Stoffel's applications to the Government Departments for the sanction for your cable being laid on the English foreshores?—I was.

631. Were you in December *bonâ fide* embarked in this enterprise?—We were.

632. When did you first become acquainted with the fact that the new company were in the field?—We became acquainted with it by a letter I think from Mr.

Mr. Hawksford. During the time that Mr. Stoffel was in the Islands he applied to the chief merchants to guarantee, and amongst other parties he applied to the South Western Railway Company at Southampton, who ran the steamers between Southampton and the Islands, with a view of getting some guarantee from the railway company, or the dock company, who owned the boats, and, I believe, that shortly after that application had been made I first became aware of the formation of the new company.

633. *Chairman.*] At what time was that?—It would be either the beginning of January or the end of December that the application was made to the Southampton Dock Company for their subscription to the guarantee.

634. Sir *Lawrence Palk.*] The learned counsel yesterday, in stating this case, gave me reason to believe that you had received consents to land the cable at Start Point, and I said, not being sure of that, "Then you did not get those consents"; upon which the learned counsel said, "I beg the honourable Baronet's pardon." I gathered from that that you had the consents to land the cable at Start Point. Then I see, in Mr. Henley's petition, that he states that the cable was manufactured, and then he says, "Since the refusal of the new company to purchase the cable of the association, leave to lay the cable which was constructed by the association has been persistently refused by the Government; so much so that troops were called out on the 4th of April," &c. Have you at any time during any portion of your negotiations, or the formation of your association, or the manufacture of the cable, received any consents from any authority to land the cable either at Start Point or in the Channel Islands?—Not a direct consent in writing, because the Board of Trade and the Office of Woods and Forests referred the matter to the Postmaster General, and no reply had been received; but, under the rules of navigation, it had been approved of, and the Board of Trade had intimated that they had no objection to granting the consent.

635. Then the learned counsel was not correct when he contradicted me in saying that you had this consent?—No, that is not correct; in the letters to the Woods and Forests and Board of Trade they have since then stated that they would be ready to grant their consents.

636. But you did not get them?—No.

Mr. *Bidder* stated that he had afterwards endeavoured to explain what was the real state of the case, and that he had no intention of misleading the Committee.

Witness.] The formal business had been completed, so far as approving of the plans for landing the cable went, and nothing more was wanting than the assent of the Postmaster General, when the consent would have been executed.

637. Sir *Lawrence Palk.*] But you never had that consent?—No.

638. Mr. Serjeant *Sargood* (through the Committee).] In a letter addressed by you to the Treasury on the 5th of April, before Mr. Stoffel is repudiated, you say this: "It is necessary that I inform your Lordships that there has been some apparent mistake on the part of the cable proprietors who had started to submerge the cable before the official landing foreshore permission had been obtained." This is the phrase which I am going to ask you to explain; "This has arisen in error, as it was considered that the previous consents of the old cable landings covered the present renewal." How do you explain or make consistent that statement to the Treasury, if you now repudiate the old company, and say that you were an independent speculation?—The explanation of that is, that the foreshores on the English side are vested in the Crown, and applications had been made; but no applications had been made in the case of the old company to lay the cables in Jersey and Guernsey. Although the Treasury granted them a subsidy, still no permissions or rights were asked from any department of the Crown. We were promised the same facilities, and therefore no application had been made.

639. *Chairman.*] Did you not in that letter lead the Treasury to believe that the consents which had been given to the old cable covered your undertaking?—They had no consents; they had no interference. I meant that no consents had ever been given or applied for. They were suffered to lay their cable by landing

Mr. *N. J. Holmes.*

5 July 1870.

it, and we were informed, through Mr. Hawksford, that we should have the same facilities.

640. You said, "This has arisen in error, as it was considered that the previous consents of the old cable landings covered the present renewal;" what consents did you mean?—I meant the landings upon the foreshore of the Channel Islands. I had applied for Start Point under the Crown prerogative, and when I went to the Treasury and personally saw Mr. Welby (who was very kind) to make some explanation as to the foreshore rights, he stated that the matter had since become vested in the Treasury, and that this had become a very good precedent.

641. You said that these consents that you have referred to were consents to land the cable in Guernsey and Jersey?—Certainly; the Treasury now claim it.

642. By whom had these consents been given?—They had been given, or promised to us, by Mr. Hawksford; the same facilities as the old company enjoyed. The old company had no written consents.

643. When you talked about consents, you talked about what did not exist?—I meant that the proprietors of the private foreshore would have no objection.

644. When you spoke of the consents to the landing of the old cable, you had not any consents at all?—No; I meant that we should have the same facilities. I do not think the Submarine Company had any consents.

645. Why did you not put it to the Treasury in that way; why did you use the word "consents" if there were no consents?—There is a consent of the owner of the private property beyond high-water mark, and the owner of the private property had no objection to the cable being landed on his property.

646. What cable?—The new cable which the "Caroline" had carried out.

647. Did you ask him?—Mr. Hawksford had undertaken to do that, and he had stated that there were no difficulties, and that it would be given to us; the Treasury afterwards claimed a right to the foreshore, and hence the application. At the time we started with the "Caroline" we never dreamt that the Treasury claimed a right to the Channel Islands foreshores, and they had not previously done so.

648. Then no previous consents having been obtained, you said that you considered that the previous consents covered the present renewal?—That the private proprietor had no objection to the present renewal.

649. But in this letter you are apologising to the Treasury for having acted without their consent?—The Treasury told me that I had applied to every department under Government but the right one and that was the Treasury; I therefore apologised to the Treasury, because I was not aware that they claimed the foreshore; I had applied to all the other departments.

650. Mr. *Hurst.*] Do you imagine that any reasonable person receiving that letter would not suppose you were in connection with the old company, and acting with the old company?—I think not, because I had sent an explanation to the Woods and Forests.

651. This was not to the Woods and Forests?—I understood that as he was communicating with the Treasury and the Home Office, that communication would be made public to the different departments; I did not send a copy of it to each of the departments, but I was always referred to the Treasury from the Office of Woods and Forests, and I sent them full details of the whole association.

652. *Chairman.*] It appears that in December you entered into an association to re-establish telegraphic communication with the Islands?—We did.

653. And in February it appears that you wrote to Mr. Bullivant to introduce Mr. Henley as a sub-contractor to him?—I did; they called upon me in my office; I did not of course run after him.

654. Who?—I think it was Mr. Bullivant or Mr. Lefeuvre; I am not sure whether I did not see both in the ordinary course of business, Mr. Henley having made large contracts for me at different times; and knowing that Mr. Bullivant had no machinery, I said that Mr. Henley had three or four machines idle, and that no doubt he would be very glad to undertake it.

655. Was it your intention that he should make another cable?—That he should make a distinct cable; because I stated to the Treasury and the Board of Trade, that I had no objection whatever to their granting the right to land on the

the foreshores to the Jersey Company; I said that I was not at all for a monopoly. Mr. *N. J. Holmes.*

656. Were you rather anxious that a second cable should be laid?—No; but as they had their money, it was no business of mine to assist them. 5 July 1870.

657. But you appear to have assisted them?—In the shape of having assisted them to get the cable laid, and they could not get any ship that had any paying-out machinery to lay it.

658. I did not understand why you, who had entered into an association to lay a cable between the Channel Islands and this country, were to encourage a new and a rival company to lay another cable?—I had two objects; in the first place Mr. Henley was simply contractor to the association; he was in the association so far as profit and finding capital went, but he was a contractor to the association, and as a contractor without profit; therefore he had a double capacity; but I had a great interest, and every person connected with submarine cables has a great interest in having good cables. We have just suffered and lost a good many thousand pounds from a bad cable having been manufactured for the Scilly Island, by an incompetent manufacturer. I did know Messrs. Bullivant and Allen in the telegraph world, and any bad or improperly laid cable would have damaged the value of the security, of which myself and friends were large holders, and therefore I was anxious if they did lay the cable, that they should go to some substantial contractor who should know his business.

659. You did not intend to dispose to Mr. Bullivant of the cable which you had been constructing for yourselves?—Certainly not.

660. In fact, you did all you could to assist a competing company to lay another cable?—Certainly, I offered no objection to their making a cable, or laying it. I offerred to put them in the way of getting a good contract.

661. You preferred that your competitors should have a good cable rather than a bad one?—Certainly, I should not like to have seen the money lost, as it was in the Scilly cable. That was one reason why Messrs. Ashurst and Morris referred the matter to Mr. Sharpe and myself, because the Scilly cable had not turned out very satisfactorily, and they felt that they did not know so much about cables as we did, and that it was, therefore, better to hand it over to us.

662. Mr. *Muntz.*] I think you stated that you, Mr. Henley, Mr. Stewart, and Mr. Sharpe, engaged to supply 22,500 *l.*, and Mr. Henley to supply 15,000 *l.*?—He was to supply two-thirds.

663. Mr. Sharpe supplied 5,000 *l.*, Mr. Stewart 1,500 *l.*, and yourself 1,500 *l.*; was this money paid —No, it was not paid.

664. When was this money to be paid?—At any time Mr. Henley liked to call for it, on my giving the certificate of the cable.

665. When the difficulties arose, the foreshore difficulty, so that you could not lay the cable, then you withdrew?—The money would have been paid——

666. Did you withdraw?—We withdrew when the cable could not be laid. Mr. Henley would not be entitled to draw the money from us until the cable had been laid.

667. Then, in fact, Mr. Henley being unable to lay the cable, agreed to your withdrawing, and cancelled the deed?—That is so; he could not fulfil the contract.

668. Mr. *J. D. Lewis.*] You say that Mr. Stoffel visited the Channel Islands about the month of December in order to raise a guarantee fund, as far as I stand?—Exactly.

669. Then he was acting as agent for the association; there is no writtten instrument constituting the association as we understand?—There was merely a verbal agreement.

670. Did Mr. Stoffel carry out any written authority or instructions?—Mr. Stoffel had a written letter of introduction to Mr. Hawksford, and he was supplied with the necessary legal documents to get the guarantee signed.

671. Still there was nothing but a verbal agreement, was there?—There was nothing but a verbal agreement.

672. *Chairman.*] To whom did he take a written letter of introduction?—To Mr. Sharpe and Mr. Hawksford.

673. Mr. *J. D. Lewis.*] But he was introduced to Mr. Sharpe at your office on the 17th, was he not?—Exactly. Mr. Stoffel did not start for the Islands until the 21st, I think, and the documents were sent and furnished to Mr. Stoffel for signature

Mr. *N. J. Holmes.*
5 July 1870.

nature when he went over. I may also state that from time to time in the local papers, Mr. Stoffel's meetings connected with the guarantee, were printed.

674. Mr. *Muntz.*] I think you stated that you ascertained that this contract for the 22,500 *l.* would leave no profit?—No; it is a very heavy cable, and a very large cable. I have samples of it in the room.

675. We do not want to see the samples. You stated that you had ascertained that it would give no profit, did you not?—Yes.

676. Then are the Committee to understand that Mr. Henley was to take the risk of this 22,500 *l.* to supply the cable, making no profit upon it?—Certainly.

677. Mr. *Hurst.*] There is a paragraph in your petition, stating that the new company applied to the association, and requested to purchase their cable, but that no purchase was completed; when was that application made?—I am not aware; I know in conversation it was found that the price which we asked for our cable was more than the capital of the company, and when Mr. Henley put on his trade profit, it exceeded their capital. The 22,500 *l.* was the nett cost.

678. When was the application made?—That I am not able to say. Mr. Henley might know.

[The Witness withdrew.

Mr. *David De Quetteville*, re-called; further Examined by Mr. *Bidder*.

Mr. *D. De Quetteville.*

679. Are you a member of the Royal Court of Jersey?—I am. I am a Jurat of the Royal Court, and as such a member of the States of Jersey.

680. Will you tell the Committee whether it is necessary for a person desiring to lay a cable between Jersey and Guernsey to apply to any officer of the Crown for assent, in respect of the foreshore?—It was not, so far as Jersey and Guernsey were concerned. I know that as a fact, because as deputy chairman of the old Channel Islands Company, I had the entire management, or rather had the direction of the laying down of the land lines in Jersey in connection with the cable; and I did so without applying to any authority whatever.

681. Then no Government office was ever applied to in reference to the landing of the cable of the old company on the Channel Islands shores?—None.

682. Mr. Serjeant *Sargood.*] Do you represent all the Government offices in Jersey?—As a Jurat of the Royal Court for the last 20 years, and as a member of the States, I can speak rather positively on all those questions. It is rather more than a common sense view; it is a legal point. I should not like to travel into the general question of law, but with regard to this particular question I speak positively.

683. Mr. *Bidder.*] Then I understood you to say, also, that it was not necessary as a matter of law?—It was not.

684. You are acquainted with the law of the Channel Islands?—I am. As far as the experience of 20 years as a member of that Court can make me so.

685. Have the Crown any office in this country acting of its own motion with any authority to suspend or prohibit, or interfere with, the landing of a cable on the shores of the Channel Islands?—None whatever; and I believe that their own law officers in both Islands will bear me out in the assertion; and I believe that if the gentlemen of the Post Office would produce the correspondence which has taken place——

686. Mr. Serjeant *Sargood.*] That is all irregular; there are some facts.

Witness.] So far I am giving you facts, rather beyond your own satisfaction, I think.

687. Mr. *Bidder.*] Let us confine ourselves to questions of law. You say that, as a matter of law, no Government office in this country has any right whatever to interfere with the landing of the cables in the Channel Islands?—None whatever.

688. Therefore it is not necessary for any personages intending to land a cable between Jersey and Guernsey to apply to any Government office?—Not any Government office in this country, certainly.

689. Any person who did interfere is committing a breach of the law?—They did so, I have no doubt.

Cross-examined

Cross-examined by Mr. Serjeant *Sargood.*

690. You have been asked one question very much to the purpose, and that is, that the old company, with which you were connected, did not need permission for anybody to lay down their cable anywhere?—They did it without anybody's permission being asked for.

691. Had not your old company the special advantage of a private agreement with the heads of departments in this country, by which they put what I will call a Government director, for the want of a better idea, on your board of directors?—They had.

692. And did not that Government director himself settle the route which your cable was to take?—I could not give you an answer to that question. This I know, that the route was selected by the Government in opposition to our wishes.

693. The route was selected by the Government in opposition to your wishes. The Government put a director on your board to take care that you did not escape from it; was that so?—They put a director on our board, but he generally agreed; in fact he always agreed with whatever we did.

694. That is because you did what was right, I suppose?—I hope so; and I hope I am doing what is right now.

695. The Government director being put there to take care that the Government interests were not disregarded, your company probably paid a certain sum for getting your lines on the foreshore?—With regard to the islands, not a penny; nor would I have consented to the payment of a single penny.

696. But you had to pay something for getting your lines on the foreshore of the islands?—Not in Jersey and Guernsey; I believe that after the land lines were laid down we were called upon by the Woods and Forests to pay something like 1 *l.* a year, if I remember rightly.

697. For what?—For going through their grounds.

698. Where?—In England. As far as Jersey and Guernsey are concerned we never paid one farthing, and never asked any one's permission.

699. Nobody has ever said you did?—I was asked the question, or it looked very much like it, if I understood you rightly. Not only did we not, but I never would have consented, nor would the company, to have paid one farthing.

700. You know everything which goes on in Jersey, and are a great authority?—Not quite everything.

701. You have a railway company there, I believe?—We have.

702. I have never been at your pretty place?—It is a pity; you should come.

703. Have you any connection with the railway?—Not in any way.

704. Do you happen to know as a matter of knowledge, and interest in the island, that the railway runs down on the foreshore?—It does.

705. Do you happen to know that they had to pay something to get permission from somebody in order to do it?—I believe they paid the Treasury some money, but I told Mr. Pickering at the time that so far as we were concerned we would treat that as waste paper, and that the Treasury had got money out of them under false pretences.

706. That is not the first time that you have abused the Treasury?—No, nor the last either.

707. You set up the war-cry, did you not?—It is not a war-cry. If it is of any interest to these gentlemen, I have no objeceion to state what it is, though I do not see what it has to do with this case.

708. It was a remonstrance against what you call imposition?—Not of the Treasury. I was at war then with the railway. I am at war with everybody now and then, I suppose.

709. You are, I will not say a litigious man, but a courageous man?—I have some Norman blood in me.

710. It so happened that the Treasury, on some pretence (you call it false, but I call it true), did make the railway company pay for coming on to the foreshore?—They made them pay in this way; they did it in an indirect way; they managed to prevent the assent of the Crown being given to the railway until they got this money.

711. That is a very direct way of doing it, is it not?—I do not know.

Mr. *D. De Quetteville.*

Re-examined by Mr. *Bidder.*

5 July 1870.

712. That is to say, the Treasury claimed, and they recognised some alleged right over the foreshore, and they happened to have another screw upon the railway, and they would not assent to the railway being made at all, unless they would give way there?—Yes, that is it. I may add, in proof of what I have been asserting, that lately, on a question of the foreshore, they managed to get an Order in Council, and to send it down to the Islands, giving——

713. *Chairman.*] Who managed?—The Treasury; giving a portion of the foreshore to a private individual. The court refused to register it. Perhaps I may as well add, that no Orders in Council are law in the Islands until they are registered, and that the question is now pending between the Treasury and ourselves.

714. Mr. *Bidder.*] My learned friend suggests that in the other case Government did practically superintend the affair, because he says they had a director upon your board, and arranged the line which the cable was to take; is it not the fact that in that case the Government were guaranteeing themselves, and taking the risk of the profits which might arise from that cable so long as it was worked?—I believe so.

715. And therefore, being guarantors, they claimed a right to be represented upon the board?—Just so, as the shareholders were represented by their own directors.

716. Mr. *Hurst.*] To whom do the foreshores, in your opinion, belong in Jersey?—There is no doubt in Jersey, with regard to that question, that the foreshores are under the guardianship of the States and the Crown jointly; but that, as in this country, the Crown could not do an act without the assent of Parliament, neither could the Crown do so without the assent of the States in Jersey.

717. Does it not come to this, that in Jersey there would be two consents required, that of the Crown and that of the States?—In fact, I have already told you that we laid our cable without asking any authority, and I would have done so again. With respect to Mr. Henley's cable, I may add that had I been the chief municipal authority of the parish where the cable was about to be landed, notwithstanding the orders of the Treasury and the Home Secretary, I would have gone on board and had the cable landed, and anybody who had interfered with me I would have presented in court.

718. The foreshores, you say, belong jointly to the Crown and the States?—They are under the protection of the Crown and the States.

719. Supposing that the question was urged hostilely, would it not be necessary to have the consent of the Crown and of the States to have anything done with the foreshore?—But the States, considering the advantage of laying a cable between England and the Islands, would never have thrown impediments in the way.

720. *Chairman.*] But the Crown might do so?—The Crown could not legally without the States.

721. But surely, if the foreshores are under the joint protection of the States and the Crown, the consent of each would be necessary?—The strict way would be to apply to the States, and the act of the States would probably be sanctioned by the Crown.

722. But supposing it is not sanctioned, what then?—The first interference must come from the local authorities.

723. Then what has the Crown to do with it?—Only as an appeal; they in all cases give their assent.

724. Sir *Lawrence Palk.*] If they refuse to give that assent what happens?—No acts of the States are valid without the assent of the Crown.

725. *Chairman.*] So that the cable could not be laid over the foreshore without the consent of the Crown?—It could be laid, and has been laid, without the consent of the Crown.

726. But supposing that the question is legally raised?—If the question were legally raised undoubtedly the permission of the States would have to be asked. The States would then either give or refuse their permission. If they refused there would be an end to it; if they gave their permission it would require then the assent of the Crown, and all our acts do.

727. Sir

Mr. *D. De Quetteville.*

5 July 1870.

727. Sir *Lawrence Palk.*] If the assent of the Crown was not obtained, the cable could not be legally laid?—No.

728. Mr. *Hurst.*] Then the consent of the Crown must be had before the cable can be legally laid?—The States must always come in first. The fact is that the Crown can never be appealed to without the concurrence of the States.

729. And the consent of the States having been given, that would be of no value unless it was concurred in by the Crown?—No.

730. Mr. *J. D. Lewis.*] Then when you say that you would have taken the telegraph line if you yourself had been the chief municipal officer of the parish, you admit that it would have been an wholly unauthorised act on your part?—No, because I could only have been prevented by legal interference.

731. Mr *Bidder* (through the *Committee*).] Has the Crown any right whatever, or any power, to interfere without the previous consent of the States?—It has not.

732. Mr. *Muntz.*] Has the Crown no prerogative in the States?—They have; but with regard to the foreshore, not to the extent which the Treasury is now claiming; and the proof of that is the view that both the courts and the States took, that upon an order being sent down giving a portion of the foreshore to a private individual, both the court and the States have refused to register it.

733. Mr. *Hurst.*] In your opinion in whom is the soil of the foreshore vested, quite independently of the right of protection of which you speak?—In my opinion, in the proprietors of the land bordering; for instance, I have property bordering on the foreshore where the railway passes, and I claim a right to the foreshore.

734. I do not know whether you are a lawyer?—Not exactly; I have been 20 years a jurat and a member of the court.

735. Do you claim that by prescription or by grant, or under the Crown in some way?—I need not tell you that in former times the Crown exercised rights which would not be recognised now-a-days.

736. You say the soil is vested in the owner of the adjoining land?—Yes.

737. Mr. Serjeant *Sargood.*] You do not say that as a lawyer, but that is your private opinion?—Yes.

738. Mr. *Bidder.*] The Crown assent is like the Crown assent to an Act of Parliament?—I have stated that.

[The Witness withdrew.

Mr. *William Thomas Henley*, called; Examined by Mr. *Bidder.*

Mr. *W. T. Henley.*

739. What are you?—A Telegraphic Engineer.

740. You have works at North Woolwich, which are very extensive, where you are making a great number of cables?—I am.

741. Will you tell the Committee your first connection with the idea of laying down a cable between England and the Channel Islands?—The first I heard of it was that in last winter something was said to me about tendering for a cable to Messrs. Ashurst and Morris; I was told by my clerk that Messrs. Ashurst and Morris required a tender for a cable to lay between the Channel Islands and England.

742. Then did you tender?—I did.

743. Did that come to anything?—No.

744. The tender is dated, is it not, the 22nd October 1869?—It would be about that time.

745. It is addressed to Messrs. Ashurst and Morris, and it is as follows: "In reply to yours of the 6th, requesting an estimate for laying and manufacturing a cable between Bury Head to Guernsey, and then to Jersey." Then you specify the description of cable, and you say the price of the cable would be 25,858 *l.*, including 30 days' guarantee after laying?—Just so.

746. Then you say, as to maintenance, "I should have replied to your letter before had it not been for this point. I have considered it very carefully, and, except at a very high figure, I would not undertake it;" and so on. Then, I think, you also wrote afterwards and offered to maintain it?—I did.

747. To whom is that addressed?—To Messrs. Ashurst and Morris.

748. I have a letter to you from Messrs. Ashurst and Morris: "We are instructed by the Channel Islands Telegraph Company, Limited, to make arrange-

Mr. *W. T. Henley.*

5 July 1870.

ments for renewing telegraphic communication between the Islands and England. It is proposed to lay a new cable from Bury Head, on the Devonshire coast, to Guernsey, 66 miles, a land line across Guernsey, thence to Jersey a cable, a distance of 17 miles. We shall be glad if you will let us have an estimate for the construction and laying of such a cable as you consider suitable, and for the completion of the work, furnishing us at the same time with a specification of the cable you would propose to lay, and stating, also, for what sum per annum you would undertake its maintenance. We observe that you have been doing some work for our friend Mr. Tietgen, of Copenhagen, or rather for a company in which he is largely interested, hence the present application." It was in answer to that that you tendered?—It was in answer to that I tendered.

749. Did that come to anything?—It did not; I heard very little more of it.

750. Mr. *Hurst.*] Have you had no answer?—I do not recollect receiving any answer.

751. Mr. *Bidder.*] What was the next thing, so far as you were concerned?—Next I heard from Mr. Sharp that he contemplated making a proposal to me and other gentlemen to find money to lay a cable across there, and he had a Mr. Stoffel out in the Island endeavouring to get a guarantee.

752. When was this?—That would be at the end of last year.

753. What happened at that time?—Mr. Stoffel did not succeed in obtaining the guarantee, and no money could be raised.

754. What happened next?—Then I agreed to find the greater part if Mr. Sharp and his friends would obtain the rest, and would take it at their own risk, without the guarantee.

755. Was that arrangement entered into?—Yes.

756. When did that take place?—That would be at the end of December or the beginning of January.

757. I do not think that you yourself took any part in the application to the Government departments, did you?—No, I did not; I left that to others. I was too much engaged at the works.

758. And you did not interfere from the beginning to the end in the correspondence with the departments?—Not the least. I read some of the correspondence, but I had nothing to do with answering it.

759. You left that to the other gentlemen?—Yes.

760. Did you proceed to take steps for preparing to make the cable, and did you make the cable?—I made the cable, 92 miles.

761. When was it completed?—It was completed in March I think.

762. I think you embarked a portion in the "Caroline," did you not?—Yes; the "Caroline" could not take the whole of the cable, so I sent a part.

763. When was that?—That was towards the end of March; to my surprise they were prevented landing.

764. Can you give me more accurately the date?—I do not recollect the date; it was towards the end of March. I knew the ship would not be more than two days getting to her destination, and it was fine weather, and she would have commenced laying it at once unless she had been prevented.

765. Can you fix more accurately the date when the cable was embarked on the "Caroline," or when she left?—I should think about the 27th or 28th of March, as near as I can say; but it is easy to obtain the exact date.

766. The Committee have heard already about the landing being stopped; had you in embarking in this transaction any knowledge of any proposed application on the part of the Post Office, or of any contemplated extension of the Post Office monopoly to the Channel Islands?—None whatever.

767. Did it enter into your mind when you entered into this undertaking, that your cable, when it was made and laid, would be a thing to sell to the Post Office?—I had intended to work it, and had sent clerks out.

768. Had you any idea at the time when you entered into that arrangement, of doing so in order to sell it to the Post Office?—Not to the Post Office. Mr. Sharp said that he probably could sell the cable after a few months' working.

769. To whom?—He did not say to whom.

770. Did he mention to you the negotiations which had been going on with the old company?—No; I scarcely saw Mr. Sharp above once or twice in my life.

771. A letter

771. A letter has been read of Mr. Holmes's, in which he suggests to Mr. Bullivant that you would be prepared to make his cable for him?—I do not recollect authorising Mr. Holmes to make such a statement, but, at the same time, I would not object to make a cable for anybody. Mr. Holmes would get a commission upon all work brought to me through him, so that probably he would like to get a cable made for Mr. Bullivant, as well as anybody else. For instance, if he got an order for a cable I would give him a certain commission, and he would just as soon get a commission upon Mr. Bullivant's and Mr. Allen's cable, as anyone else. In the way of trade any gentleman obtaining an order is entitled to a commission.

772. Would you have had any objection to contract with Mr. Bullivant to make a cable?—I cannot say that I should, when it was known that the cable was going to be made, because if I did not make it, somebody else would, probably.

773. I will not go into the history of the stoppages with you, but except for the impediments thrown in your way, would the cables between this country and the Islands, and amongst the Islands, have been completed and worked by your association?—It would have been completed early in April, and would have been working ever since.

774. It has been mentioned that subsequently you agreed to cancel the agreement between you and the other gentlemen; will you explain why you did that?—I knew Mr. Sharp only; it was all through him. He was to find the money for the other gentlemen; and when I first was going to commence the cable he said, "You can have a cheque for 5,000 *l.* now if you like." I said that I did not usually take money until I had done part of the work, that he should pay me 5,000 *l.* then, and the rest when the cable was laid; I could have had the money at the time, however, when the cable was laid and a part sent out, but this obstruction came, and they became frightened, and said, "We want to see our way clear to getting our money back before we pay it," and I was so disgusted that I said, "Well if you do not like to take the risk I will, and you may cancel the agreement." I had a legal claim upon them.

775. *Chairman.*] Do you remember the date when it was cancelled?—Just after the stoppage in laying the cable.

776. Just after you heard of it?—Yes.

Cross-examined by Mr. Serjeant *Sargood.*

777. You are the petitioner who are coming here for sympathy and success?—Yes.

778. We have heard very little from you in comparison with what I expected?—I have answered the questions.

779. Let me see if I can get any story from you; first of all, let me look at your petition; you start in your petition by informing Parliament that there was an old company incorporated in 1858?—Yes.

780. And that they left off business?—Yes.

781. I suppose you knew of the existence of that old company?—Yes; I put down the land lines for them.

782. Then is that abandoned cable of theirs at the bottom of the sea a thing that you made?—No, I do not make such cables as that.

783. Then yours were the land lines only?—Mine were the land lines only.

784. Were you a shareholder in the old company?—Not the slightest.

785. With whom had you been in communication for those works?—Mr. Newall.

786. He is a large manufacturer. The Telegraph Association was formed, of which you say you are the sole representative?—I am now.

787. The association (now pay attention to this, please, because we may get some information out of you) had entered into arrangements with the old company to lay their cable in connection with their undertaking, and had given the old company an interest in the enterprise?—Yes.

788. First of all, will you give me the date when your association made some arrangement with the old company?—I cannot tell you anything about the dates; I had nothing to do with it.

789. Who drew this petition for you?—Whether it was Mr. Holmes, or Mr, Rogers,

Mr. *W. T. Henley*, 5 July, 1870.

Rogers, my managing clerk, I cannot say, or Mr. Sharp; that petition I did in conjunction with the Parliamentary agent and my solicitor.

790. Somebody made it for you, and you signed it?—I read it before it was signed.

791. Who did it?—My solicitor.

792. But who gave him the facts?—I gave him the facts,

793. I will assume that you told him this: "Tell the House of Commons that the association entered into arrangements with the old company"; I want your authority for making those statements?—I only had it from my clerk, Mr. Rogers, and Mr. Sharp, that they used whatever rights they had.

794. But you were a part of the association always?—I was; I was one member of it.

795. And you are the association now?—Yes.

796. When did your association make an arrangement with the old company?—As far as I can recollect, it was somewhere about the end of last year.

797. But you do not know?—I do not know the exact date.

798. Then who does know?—Mr. Sharp, no doubt.

799. Not Mr. Holmes?—I dare say not.

800. Nor Mr. Stuart?—No.

801. Is Mr. Sharp here?—He is not.

802. Are you in friendly relation with him?—Middling; but as he would not pay me my money, we are not so friendly as we might be.

Mr. *Bidder* stated that Mr. Sharp had declined to appear before the Committee as a Witness without a summons.

803. Mr. Serjeant *Sargood* (to the *Witness*).] Is this one of the firm of W. and H. P. Sharp, of Gresham House, Old Broad-street?—It is.

804. I think I may say of my own knowledge that Mr. Sharp is far too respectable a man to say that he stopped away from here if he was wanted, and, therefore, do not affect that I am wanting Mr. Sharp?—I know of my own knowledge that he was asked to come the other day, and he refused.

805. Of course he would not come if he was not obliged. You say this: "And have given the old company an interest in their enterprise;" first of all, tell me what was your enterprise?—It was making a cable and laying it.

806. What was the interest you had arranged to give the old company in it?—Using their land lines, and paying them for them, supposing they were fit for use.

807. Is that the subject of any written arrangement, or is it only talk?—I believe something has been written of the kind.

808. Have you got it here?—No.

809. You have come here to prove the allegations of your petition?—I have come here to speak the truth and tell all that I know.

810. If the thing is in writing, where is it?—If I cannot prove it other people can who wrote the letters.

811. Where is this arrangement between your association and the old company?—I do not know where it is now.

812. Do you agree with your friend Mr. Holmes, that you are a different affair; that you are not the old company, and have nothing to do with them?—Yes, I do.

813. Then what is the meaning of there being a written contract between you and the old company, which you did not notice?—We can produce it; I have no objection to produce anything which was written. I did not say that it was written; I said, probably it might be. I will appeal to the shorthand writer whether I said there was a written contract or not.

814. Then you do not repudiate all connection with the old company?—I know they found no money towards it.

815. What you tell me is, that though there is a connection and an arrangement in writing, you cannot explain it to me?—I did not say it was in writing.

816. Whether it is or not, can you explain it?—No further than that, that I am aware of; that we were to use their land lines, and that they were to give us all the facilities they could.

817. Do you mean to say that a bargain was ever made between your association and the old company?—Very likely it was.

818. Do

818. Do you mean to state that it was?—I did not state that it was; verbally it was.

819. Who were the people who talked it?—Mr. Sharp.

820. He represented you?—Yes.

821. To whom did he talk to represent the company?—He talked to the directors, no doubt. The negotiations and communications, I believe, passed through Mr. Hawksford.

822. The initiation of it then is this: that you, through Mr. Sharp, as one of your association, made arrangement of some sort or other with the old company, by which you were to land the cable and connect the cable with their land lines?—We were to lay the cable at our own risk, and it was to be our own property, and to be connected with their land lines, if their land lines were capable of being worked.

823. When did you first know Mr. Stoffel?—The first I heard of him was from Mr. Sharp, that he was out in the Islands endeavouring to obtain a guarantee.

824. Had you never heard of him before?—Never.

825. When did you first see him?—I have only seen him twice in my life.

826. When did you first see him?—Two or three months since, or more.

827. Was it this year or last?—This year.

828. Where did you see him?—I saw him at my office.

829. Did he bring an introduction to you?—No; my managing clerk had seen him before.

830. What is his name?—Mr. Rogers.

831. Is Mr. Rogers here?—Yes.

832. Do you know how early he had seen Mr. Stoffel?—I do not; I am so much engaged down at the works, that I do not come to my London office above once a week. He spoke to me of Mr. Stoffel; I believe when Mr. Stoffel came in, he said, "This is Mr. Stoffel, the gentleman whom Mr. Sharp sent out to the Islands."

833. Had you been previously told that he had seen Mr. Stoffel, and that Mr. Stoffel was coming?—No, I had not, that I am aware of.

834. When Mr. Stoffel came to you, what did he say?—He said very little to me, because his business was with Mr. Rogers.

835. But Mr. Rogers is your managing man?—Exactly; I left him with Mr. Rogers.

836. Did you never know or hear what he said?—No, I did not; it was not worth my while to ask.

837. Mr Stoffel came to see you; you left him with the managing clerk, and you never thought it worth your while to ask why he came, and you have never been told?—I knew why he came; his business was with Mr. Rogers; Mr. Rogers is my managing clerk at the London office.

838. Has he a separate business from yours?—None whatever.

839. Was the business with Mr. Stoffel something of a private character?—It was in connection with my office. When I explain to you that I am at the works, and doing business at the rate of 60,000 *l.* to 70,000 *l.* a month, I have not much time to pass at the office, and I leave all that business to Mr. Rogers.

840. Do I understand you to say that, Mr. Stoffel having paid his visit, you never learned from Mr. Rogers what he had come about?—I knew he had come about this business of the guarantee.

841. I asked you what he came for, and you said you did not know?—I knew what he came for, but I did not hear what he said, because I did not wait.

842. What did Mr. Rogers say?—I did not see him until the next day, and then it passed my memory.

843. Did not Mr. Rogers tell you what had passed?—I dare say he did; but I am not certain whether he did or not.

844. Do you mean to tell us that?—I mean to tell you that.

845. Then I will not probe you further than that. That is one of the only two visits of Mr. Stoffel; when was the next visit?—The next visit was three or four weeks afterwards.

846. Can you give me that date?—No; I should think it would be in March.

847. Did you see him, or did Mr. Rogers see him?—I saw him; I knew what his business then was.

Mr. *W. T. Henley.*

5 July 1870.

848. You knew it beforehand; who had told you?—I heard he was coming about this commission.

849. Who had told you?—Mr. Rogers or Mr. Holmes, I cannot say which.

850. Coming about what commission?—The commission for trying to get a guarantee.

851. Then he had been, and Mr. Rogers told you he was coming?—Yes.

852. What did he say?—I recollect his saying he wanted more than was promised him. I told him he must see Mr. Rogers about it.

853. And that was all?—Yes.

854. Then on the first occasion you did not know why he came, and on the second it was to talk about the commission?—Yes.

855. And on neither of the two occasions was the cable talked about, which is the subject matter of your application to the House at this moment?—It was spoken of to Mr. Rogers.

856. How do you know?—I certainly knew what passed, although I cannot say that he told me the precise words.

857. Then on neither occasion did anything pass about the laying of this cable, which is the subject matter of your application?—It was about the cable, but nothing about the laying.

858. What about the cable. Hitherto you have told me that it was about the guarantee and not about the cable?—It was the guarantee about the cable.

859. Had it anything to do with the cable, or the contract, or with the guarantees only?—It had nothing whatever to do with the contract.

860. The new company, which you say was formed in January, applied to the association, and requested to purchase their cable. Now, tell me when was it that the new company applied to you and asked to buy your cable?—They applied after the cable was out there

861. When was it?—In March.

862. At what date?—At the end of March.

863. At the end of March was the new company applied to?—To buy the cable then on board the "Caroline."

864. Just as anybody else might have done?—Anybody who wanted it.

865. Anybody might have made you an offer for it, and the new company made you an offer; is that it?—That is it.

866. Who made you the offer?—It was made by Mr. Meade, who came deputed by Messrs. Bullivant and Allen, or by the company; I cannot be sure which.

867. What is he?—A shipbroker, I believe.

868. What was the offer?—To buy it; but no price was mentioned.

869. To whom was the offer made?—To the association; to Mr. Rogers or to Mr. Holmes.

870. To you?—Not to me, because I was not there.

871. Was it made to Mr. Rogers?—It was made to Mr. Rogers on behalf of the association. Of course Messrs. Bullivant and Allen or the company did not know.

872. Sir *Lawrence Palk.*] At what date was the offer made?—It was at the end of March.

873. If it was at the end of March, and I am correct, the agreement was cancelled on the 17th of March, and you were then the sole proprietor.

Mr. *Bidder* stated that the 17th of March was the date on which Mr. Holmes signed his subscription, and that the agreement was said to have been cancelled in May.

874. Mr. Serjeant *Sargood* (to the *Witness*).] The offer to buy the cable was made by Mr. Meade, representing the new company, to Mr. Rogers, who is your managing clerk?—It was.

875. And that offer was made about the end of March?—Yes.

876. That is so, is it?—Yes; about the end of March or the beginning of April.

877. Where was the cable at the time that offer was made?—On board the "Caroline."

878. Do you adopt what Mr. Holmes has stated for you, that from December 1869 up to the month of April 1870, Mr. Stoffel was communicating with the public

public offices on behalf of yourself and your friends who are called an association?—I heard that he was doing so.

879. You heard of it at the time?—Yes.

880. You do not desire to repudiate Mr. Stoffel, of course?—Oh no; until a certain time, when he wanted more commission.

881. That is a separate subject; I will not go into that. Then you were aware that Mr. Stoffel had been communicating with three or four public departments, endeavouring to obtain leave to lay down the cable?—I heard so through Mr. Holmes.

882. Did you hear that he had not yet succeeded?—Yes.

883. What is the meaning of this allegation in your petition: "Since the refusal of the new company to purchase the cable, leave to lay down the cable which was constructed by the association has been persistently refused by the Government"?—So it had.

884. Then, so far as abstinence from giving you the permission is concerned, the public departments had taken the same tone; from the month of December they had abstained from giving you permission?—They had abstained from giving us answer.

885. Then they did not grant you any permission?—They have not refused to grant it, nor have they granted it.

886. They have not refused to grant it, nor have they granted it, but they have abstained from giving an answer?—Yes.

887. Now let me call your attention to this: "Correspondence was carried on by the association with the Government from between the 13th of December 1869 and the 1st of May last;" is that true?—Yes, so I heard.

888. You are alluding, then, to the correspondence of Mr. Stoffel which began on the 13th of December?—And Mr. Holmes.

889. Which began on the 12th day of April by a letter to the Board of Trade; that is what you are alluding to, I suppose?—It is.

890. Then it seems to me that Mr. Stoffel, after all Mr. Holmes' differences with him, was about right on the 13th of December, when he said that he was making application on behalf of the old company for leave to lay down a cable; you are now telling me that you were speaking about the making of a cable to be associated with the wires of the old company?—Yes; but not to lay it for the old company. I was going to lay it; and simply instead of putting up new land lines, to use theirs if they were in a proper state.

891. Were you to use their cable, or were you to pay for the use of their land lines?—I was to pay for the use of their land lines.

892. That, you say, is in writing?—I did not say that it is in writing, but I thought probably it might be.

893. Is there any bargain of this sort between you and the company at all?—Yes, there was a bargain to that effect.

894. But you will not say that it is in writing?—I cannot say that it is in writing.

895. Then nobody is bound by it?—Yes; when I make a bargain by word of mouth I consider myself bound by it as a man of honour.

896. Is it a thing which nobody is bound by at this moment; is anybody else bound by it at this moment, or is it a matter which is abandoned, nobody being liable?—If we were allowed to lay the cable I should, of course, use their land lines and pay them for it.

897. Then you would lay it now if you got permission, in pursuance of some arrangement which you had made with the old company?—Not at all; I should lay it without any arrangement with them.

898. How can you do that if the arrangement is still binding upon them as men of honour?—If I laid the cable, and their land lines were capable of being used, they would allow me to use them.

899. Are they capable of being used?—I cannot say; I have not examined them. I have made a bargain to use them if they are capable of being used.

900. We do not want men of honour brought into the question; then it depends entirely upon whether their land lines are fit for use?—We are bound to use them if they are fit for use.

901. And they are bound to attach your cable on the same conditions?—Yes.

Mr. *W. T. Henley.*

5 July 1870.

902. Supposing that you got permission to-morrow to lay your cable, you would attach it to their lines if they were fit for use?—Yes.

903. And you would consider that that would be carrying out your contract if there be one with the old company?—Yes, paying them a proper sum.

904. *Chairman.*] What are you to pay them?—I do not think any sum was named.

905. Mr. Serjeant *Sargood.*] Perhaps men of honour would do it for nothing?—No.

906. *Chairman.*] No sum was named?—No sum was named that I am aware of.

907. How was it to be settled?—We knew what sort of mileage the land line was either to sell or lease; that is easily settled.

908. Who gave you any authority to use the land lines?—I believe the directors of the Channel Islands Telegraph Company; but the correspondence passed through Mr. Holmes and Mr. Hawksford, and of course I saw but very little of it.

909. Mr. Serjeant *Sargood* (to the *Witness*).] You say that there is a correspondence between Mr. Holmes and the old company, by which the old company agreed with Mr. Holmes that the land lines should be used?—I never said anything of the kind; I said that correspondence was carried on between Mr. Hawksford and Mr. Holmes.

910. That is exactly what I have said; Mr. Hawksford is the solicitor of the company, and Mr. Holmes represented you; nobody has ever told us that there was such a correspondence; have you ever seen it?—No.

911. So I thought; will you undertake to say that any such thing exists?—I have heard that it exists.

912. Who told you?—I cannot say who told me; Mr. Holmes, probably.

913. Now look at this letter (*handing a letter to the Witness*), and tell me if you ever saw that before; that is the letter of Mr. Holmes purporting to introduce you to Mr. Bullivant?—I never saw it.

914. Then of course you never made any use of it?—I did not.

915. Have you ever heard of it in your life?—The first time I heard of it was just now.

916. That is a very funny thing, because Mr. Holmes said he wrote this letter and gave it to you as an introduction?—I never had that.

917. Have we been going through all the force of this letter of introduction being produced to learn now that Mr. Holmes wrote it, and that you never used it?—

Mr. *Bidder* stated that the letter had been produced by the Promoters.

918. Mr. Serjeant *Sargood* (to the *Witness*).] I have been mistaken in supposing that you produced the letter to Mr. Bullivant with your own hands; it probably preceded you, and you availed yourself of it afterwards?—I did not avail myself of it at all, for I never heard of it until this morning.

919. Then, of course, you had never been in communication with Mr. Bullivant in consequence of the letter?—No.

920. Perhaps you have never seen Mr. Bullivant on the subject of the subcontract for the cable?—I saw him at the office one day after I had commenced making the cable, to see if some arrangement could be brought about, I suppose, for him to buy the cable, but it was not in those words. Mr. Bullivant called at my office one day after I had made part of the cable, saying, he thought it a great pity that two cables should be made, and could we not arrange something between us, I suppose to take my cable.

921. You guess that that was what he meant?—Yes.

922. What did you say?—I said I should make my cable and he might make his.

923. That was your answer, was it?—Yes, that was my answer.

924. That was all that ever took place between you?—That was all that ever took place.

925. You had sent in a tender to Messrs. Ashurst and Company on behalf of the Channel Island Company, in competition with Mr. Bullivant, had you not?—That was before the Mr. Bullivant's Company was heard of; it was last October.

926. But

926. But you had sent a tender in competition with Mr. Bullivant?—No, it was not in competition.

927. When you sent in the tender you had nobody to compete with, had you?—Yes.

928. Who were they?—There was Messrs. Silverton and Company, the Telegraph Construction Company, and Messrs. Seaman; I know of no others.

929. That was a contract for the old company, was it not?—It was to Messrs. Ashurst and Morris to restore the communication.

930. Was it for the old company?—I did not know whether it was for the old company or not.

931. You do not know?—I know it had nothing to do with the company since advertised.

932. Then it must have been for the old company, then?—It turns out that it was.

933. Did you not know that Messrs. Ashurst and Morris were acting on behalf of the Channel Island Company?—My tender was to restore the communication; of course, I know that the cable had been laid before by the old company.

934. Did you not know that Messrs. Ashurst and Morris were acting on behalf of the Channel Island Company?—I cannot say that I did.

935. Will you say that you did not?—No, I will not.

936. The very letter which you read from Messrs. Ashurst and Morris, writing you to send a tender, begins with, "We are instructed by the Channel Island Company, Limited, to make arrangements," and so on?—Yes; but very likely I never saw that letter in my life before; my managing clerk would receive the letter.

937. Do you mean by that that you never did see the letter before?—I knew the substance of it generally.

938. Do you mean to say that you did not see the letter?—I cannot recollect.

939. Do you mean to state unhesitatingly that you did not know?—No, I do not mean to state anything of the kind.

940. You answer my question before I put it; did you not know that Messrs. Ashurst and Morris were acting on behalf of the old company in their first communication with you about that telegraph?—I do not mean to say so; I did know it, probably.

941. Was not your tender to them knowing that that cable was to be made on behalf of the old company?—Very likely, but the old company were not going to find the money.

942. They could not find the money, could they?—No.

943. But Messrs. Sharpe and the other gentlemen of the association could, I suppose?—Yes.

944. They intended to do it, of which you took a large share?—Yes, and did the largest work.

945. I am very anxious to know when you put your name to that four part contract. Will you tell us when you wrote your name; we have never been able to find that out, when was it?—It was at least three months after the verbal arrangement was made, I think.

946. Can you tell me when you did it?—I cannot say for certain, but I think it was some time in February.

947. You sent it back to Mr. Holmes, who says that he received that from you, I suppose?—Yes.

948. Where did you sign that?—At North Woolwich.

949. Was it sent to you by post?—No, I believe Mr. Rogers brought it down to me.

950. You mean your managing clerk?—Yes.

951. You did not take long to read it, I suppose?—I had known the substance of it for months.

952. But you read and signed it then and there, and sent it back again?—Yes.

953. Is there any reason for saying that you took several weeks to study it before you signed it?—I did not get it to sign.

Mr. *W. T. Henley.*

5 July 1870.

954. It is a mistake to say that you kept it for several weeks?—I did not keep it.

955. Mr. Holmes fancied that you did. You were to be in this joint speculation at a risk of 15,000 *l.*?—I was.

956. Will you tell me the meaning of a little incident that rather struck me; when you were being examined by my learned friend Mr. Bidder, you said that Mr. Sharpe tried to induce you to go on in the matter by saying that you might have 5,000 *l.* on account if you wanted it?—He did not try to induce me to go on, we arranged to go on long before that, but when I was going to commence the cable, he said, if you want a cheque for 5,000 *l.* on account you can have it.

957. But you were not very likely to be haggling for an advance if you were to contribute 15,000 *l.*?—No; and that is the very reason I did not want it, and not wanting it, I did not receive it.

958. Does not it strike you as rather funny, that if this arrangement really existed between you, by which you were to advance 15,000 *l.*, Mr. Sharpe should almost insult you by asking whether he should advance you 5,000 *l.*?—No, not at all.

959. It would have been very consistent if you were going to make this thing at the expense of some one who represented the company, but as you were going to do that 15,000 *l.*, it seems to me a little inconsistent?—Not at all.

960. I thought you said that you were not to have the money at all until the thing was completely laid down?—I was to have 7,500 *l.* from Mr. Sharpe when the cable was completed, but he offered me 5,000 *l.* in this manner.

961. £. 7,500 is the exact sum that the other people were to contribute together, is it not?—Yes; that offer came from Mr. Sharpe.

962. You were to have that sum when the cable was completed?—Yes.

963. Do you mean to tell me that under that state of things Mr. Sharpe offered to advance you 5,000 *l.*, to make it for the company?—To make it for which company?

964. The old company, which Messrs. Ashurst and Morris represent?—I was not making it for the company at all.

965. Mr. Stoffel did not say that, then?—I say that now.

966. Now, with regard to the cancelling; have you ever seen this until to-day, with that word "cancelled" on it?—No; but I know that it was put on.

967. Who told you?—My clerk.

968. Mr. Rogers, again?—Yes.

969. He told you that somebody had written something on it?—I gave him permission to have it cancelled. I said that I would take the entire risk myself if they were frightened of losing their money.

970. I want to know the exact date when you took the whole risk on your shoulders?—It was after the Government prevented the cable being landed.

971. Sir *Lawrence Palk.*] What date was that?—It was early in April. The 3rd or 4th of April was when it stopped; it was after that a few days, perhaps, that I authorised him to allow it to be cancelled.

972. Mr. Serjeant *Sargood.*] One point I may put, was this: after the cable was stopped, you relieved those three gentlemen from the obligation to pay you the 7,500 *l.*, did you not?—Yes.

973. And you are now here to ask the Government to pay you instead?—I am asking to be paid for my cable which was stopped being laid.

974. You relieved those gentlemen from the contract to pay you, and you expect the Government to pay you instead?—Yes, if they are going to take the work, and if they take it all, I suppose they will pay me my part as well.

975. If I were to ask you about all this correspondence between Mr, Stoffel and the Public Department, and then between Mr. Holmes and the Public Department, you would know nothing about it, I suppose?—Very little, I am afraid.

Re-examined by Mr. *Bidder.*

976. With regard to Mr. Bullivant, was he, prior to this, a telegraphic contractor?—No, never.

977. He never had anything to do with it, had he?—No.

978. He is a ropemaker, is he not?—Yes, in a tolerably large way of business.

979. Now,

Mr. *W. T. Henley*

5 July 1870.

979. Now, with regard to the 5,000 *l.* This 5,000 *l.* is the amount that Mr. Sharpe himself was going to find, is it not?—Yes.

980. And he told you, if you wished it, that you should have that 5,000 *l.* at once?—Yes.

981. I am tempted to ask you this question: have you behaved throughout this matter with honest intention?—I have entirely.

982-3. Mr. *Bidder.*] Have you acted with integerity and *bona fides* in this matter?—Yes, entirely.

984. Did you do what you did in agreeing with those other gentlemen in preparing to make the cable with any intention of foisting your claim on the Government?—Not in the least.

985. And at the present time you ask for no more than to be recouped the expense that you have been put to?—That is all.

986. Sir *Lawrence Palk.*] At the time that you took the risk of the cable upon yourself, which was sometime in April, had you the consent of any of the authorities for laying down your cable?—No, the consent was refused.

987. You did it entirely at your own risk?—Yes.

988. Mr. *Muntz.*] I think the sum that you were to receive was 22,500 *l.*?—Yes.

989 Of which you subscribed 15,000 *l.* yourself?—Yes.

990. That deed was not signed at the time you agreed to that, was it?—No, it was a verbal arrangement.

991. You undertook the contract for 22,500 *l.* without any signature or agreement?—I did.

992. Mr. Holmes' statement was that you took it without any profit, was it not?—I took it without any profit except on the manufacture of the wire; other people were to buy the wire.

993. You expected that your profit was to come out of the wire?—I expected some profit, but it was nearly the cost price.

994. Are you aware that the old company was suspended in the year 1863?—That is about the time.

995. Are you aware what profit they ever made?—I am not.

996. Do you know that there is a submarine telegraph company to the Islands by which communications can be passed?—From France to Jersey there is.

997. But the company that was suspended in 1863 appears to have made no profit (of which there is little doubt); did you risk the 22,500 *l.* in the hope of making a profit where they could not make it?—I believe that a considerable profit would be made with a cable between the Channel Islands and this country.

[The Witness withdrew.

Mr. *Nathaniel Holmes,* called in; Examined by Mr. *Bidder.*

Mr. *N. Holmes.*

998. Now with regard to this one matter as to the arrangement with the old company, with reference to the land lines; can you tell me what arrangements had been entered into; first, whether, so far as you know, there was any legal document or not?

999. Mr. Serjeant *Sargood.*] Was there a correspondence between the witness and the solicitor?

1000. Mr. *Bidder.*] Was there any legal agreement, so far as you know on this matter, between the old company and the association?—Not to my knowledge.

1001. Mr. *Hurst.*] Was there any correspondence?—It was chiefly verbal, between Mr. Hawksworth and myself, who came from the island, and in my office made arrangements. He had, I believe, communicated with the directors in the island, but between the association and the company there was no writing. The arrangements had chiefly reference to repairing the land lines, and paying them so much per cent. per annum on the cost of the lines.

1002. Mr. *Bidder.*] The whole of that arrangement between you and them was, that unless you availed yourselves of their land lines you must make fresh lines?—Yes; if we had not used their lines, we must put up new lines.

Mr. *N. Holmes*

5 July 1870.

Cross-examined by Mr. Serjeant *Sargood*.

1003. Now, as the chief part of your correspondence was verbal, I will trouble you for that which was in writing?—There were some letters which passed between Mr. Hawksworth and Mr. Sharpe. Those letters are at my office.

1004. If Mr. Henley said that you told him there was a correspondence between you and the solicitor, is that a mistake?—There was a conversation, not a correspondence.

1005. No letters?—No; there have been letters between Mr. Hawksworth and myself, but not on the land lines; they were chiefly on the guarantee.

1006. You are not entitled to tell us that; I want the letters between you and the solicitor to the old company?——

1007. Mr. *Bidder*.] Have you got those letters here?—No.

[The Witness withdrew.

Mr. *Bidder* stated that though it was not part of his case, he would now, in justice to Mr. Preece, put him into the box.

Mr. Serjeant *Sargood* submitted that it was not competent to Mr. Bidder to call Mr. Preece to contradict an allegation contained in the petition of his own clients.

Mr. *William Henry Preece*, called in; Examined by Mr. *Bidder*.

Mr. *W. H. Preece.*

1008. You are Engineer to the Jersey and Guernsey Telegraph Company, are you not?—I am.

1009. You are a large shareholder in it?—I am.

1010. Are you an officer in the Public Telegraph Department of the Post Office?—I am.

1011. What office do you hold in the Telegraph Department of the Post Office?—I am engineer of the southern division of the postal Telegraph Department.

1012. With regard to this new cable to Guernsey and Jersey, will it be within that department?—Yes; it will.

1013. Are you the professional adviser of the heads of the Post Office in matters connected with your department?—In some matters, I am.

1014. In what matters is it your duty to advise them?—In some matters.

1015. Has your advice been asked, or have you been communicated with by the heads of the department about this matter, in connection with the Guernsey and Jersey telegraph cable?—No.

1016. By no one whatever?—No.

1017. You have had no communication with the heads of the department about that matter?—None whatever.

[The Witness withdrew.

Mr. *Bidder* stated that he now in the fullest and frankest manner withdrew the imputation on Mr. Preece, and apologised for it.

The *Chairman* stated that the Committee were still of opinion that Mr. Bidder had pursued a wrong course in not withdrawing the imputation before Mr. Preece had been called, and that the statement ought not to have been inserted in the petition unless his clients were fully prepared with evidence to prove it.

Mr. *Frank Ives Scudamore*, re-called; and cross-examined by Mr. *Bidder*.

Mr. *F. I. Scudamore.*

1018. You have told us before, when I cross-examined you on the first occasion, that you had those communications with Mr. Stoffel?—Yes.

1019. You wrote to Mr. Stoffel, asking him whom he represented, did you not?—Yes.

1020. And

Mr. *F. I. Scudamore.*

5 July 1870.

1020. And you obtained the answer from him which has been put in and read by him on a previous occasion?—Yes.

1021. After that answer from Mr. Stoffel, what did you do further in the matter?—I waited for further communications.

1022. You waited for further communications, and you got another letter from him, asking for an answer, did you not?—I got a letter from him on the 30th of January, I think.

1023. Did you answer that letter?—No, I did not.

1024. Why not?—Because I found that Mr. Stoffel had represented to me that which was not true; I thought I would wait until I had received some further communication.

1025. What had he said which was not true?—He had said, "I have, you are doubtless aware, received the necessary letters from the authorities for landing the cable from the Board of Trade, and the Office of Woods and Forests."

1026. How was it that you found that that was not true; that is the letter that had the marginal note to it, is it not?—Yes; I had seen a letter from Mr. Stansfeld of the Treasury, stating that no such authority had been given to Mr. Stoffel.

1027. A letter from Mr. Stansfeld, to whom?—I have a copy of the letter (*handing it to the learned Counsel*).

1028. This letter is dated the 14th of February, and is as follows: "Dear Sir,—We are in receipt of your letter of the 10th instant. With reference to the second paragraph of your letter, we annex a copy of a letter from Mr. James Stansfeld, the Secretary of the Treasury, which has been already published, in reply to the statement made in the newspapers on behalf of the parties calling themselves the Globe Telegraph Works Company. We think you will find that Mr. Stansfeld's letter answers the notice you have received; but if we should be mistaken in supposing that you allude to the parties mentioned in Mr. Stansfeld's letter, we shall be obliged by your informing us what other notice has been received. With reference to the third paragraph of your letter, we have already given you a copy of Mr. Charles T. Simpson's opinion upon the possible claim of the Submarine Company, which we hope, on further consideration, will be found to meet this part of the case. The board of the Jersey Company will meet to-morrow afternoon, and we are requested to inquire whether the proposed arrangement can be carried out with any, and if any, what modification. We shall be obliged if you give us a further letter by to-morrow.—We remain, dear Sir, yours faithfully, Bristows and Carpmael.—W. H. Ashurst, Esq., General Post Office." Then comes a copy of the letter from Mr. Stansfeld: "Treasury Chambers, 2nd February 1870. Sir,—In reply to your letter of this date, I am directed by the Lords Commissioners of Her Majesty's Treasury to acquaint you that my Lords are not aware of any authority to land cables between the Channel Islands and England having been granted to the Globe Telegraph Works Company, Mr. Louis Marie Stoffel, or Mr. Woulfe Brennan, civil engineer;" that is to say, their Lordships of the Treasury were not aware of it?—Just so.

1029. Now, you say that was your authority for saying that the statement of Mr. Stoffel, that he had obtained the Woods and Forests, and the Board of Trade authority, was utterly untrue?—That was part of my authority.

1030. What was the rest of your authority?—This: ever since the passing of the Telegraph Act of 1868, whenever an application has been made to the Board of Trade for permission to land cables on foreshores, the Board of Trade have requested the Postmaster General's opinion before they have granted it, and they have always told him when they have granted it.

1031. Had you not had a communication from the Board of Trade, with regard to Mr. Stoffel's application being laid before you?—We had received no communication from the Board of Trade with regard to Mr. Stoffel.

1032. Then is this incorrect, in the letter from the Board of Trade to him, when they say, "the application;" but stop: first, what is the date of that?—Do you mean their letter to Mr. Stoffel?

1033. I mean the letter from the Board of Trade to Mr. Stoffel, saying that the application had been laid before the Post Office?—The 2nd of December.

1034. On the 2nd of December the Board of Trade wrote as follows: "I am to inform you that no application with regard to telegraphic communication can be sanctioned by the Board of Trade, without the consent of the Postmaster General; your application has been transmitted for his consideration," and on

Mr. *F. I. Scudamore.*

5 July 1870.

hearing from him a fresh communication would be made to you?—That is not strictly correct; his application was not forwarded to the Post Office; you have the letter from the Board of Trade to the Post Office, and there is a gentleman from the Board of Trade here.

1035. What is the date of that letter?—The 22nd of December.

1036. "I am to acquaint you, for the information of the Marquis of Hartington, that an application has been made on behalf of the Channel Islands Telegraph Company (Limited), for permission to lay the English end of a new submarine telegraph cable, from the Channel Islands to the United Kingdom, at or near Start Point, in the county of Devon, in lieu of the Bill of Portland where the old cable was laid, and I am to request that this board may be favoured as soon as possible with any observations on this proposal that the Board of Trade may have to offer." What reply did the Post Office make to that?—I have my reply here.

1037. What is the date of it?—It is dated the 28th of December: "I am directed by the Postmaster General to acknowledge the receipt of your letter of the 22nd instant, and to inform you that, so far as this department is concerned, his Lordship has no objection to offer to the application which has been addressed to the Board of Trade by the Channel Islands Telegraph Company (Limited) for permission to land a submarine cable at Start Point. His Lordship, however, directs me to point out, for the information of the Board of Trade, that a concession under special conditions was made to this company some years ago by the Lords of the Treasury, whom the President of the Board of Trade might possibly think it well to consult before giving, unconditionally, the permission sought for."

1038. Then there had been a communication between you and the Board of Trade, and you had advised those gentlemen that they might consent?—The Board of Trade told us that they had had application from the old Channel Islands Telegraph Company, and we said——

1039. On behalf, you mean?—On behalf.

1040. Did that give you the right to say that the statement of Mr. Stoffel, that he had the consent of the Board of Trade, must be utterly untrue?—I think we put in evidence to that point the other day. When he applied to the Postmaster General, I asked him if he appeared as the representative of the old Channel Islands Telegraph Company, and he wrote back to say that he did not.

1041. He wrote back "I am not the agent"?—He said "I am not the representative;" as far as the letter could go he ignored it.

1042. What passed through your mind was, that the Board of Trade wrote and said, "This is an application on behalf of the old company——"

Mr. Serjeant *Sargood* objected to Mr. Bidder's paraphrasing the letter.

1043. Mr. *Bidder.*] I understand you to say, that the Board of Trade having written to you to say that an application had been made on behalf of the old company, and Mr. Stoffel having written to say that he was not the agent of the old company, you felt they were different applications?—Yes; in fact the reason of my asking Mr. Stoffel whether he represented the old Channel Islands Telegraph Company was that I might know whether I was dealing with the case which I had already attended to, or with another case.

1044. Now, going to the other part of your authority, namely, the letter from Mr. Stansfeld, that is a letter to Mr. Lefeuvre; how did that letter come under your notice?—The solicitor to the Jersey and Guernsey Company gave it to Mr. Ashurst, I think, so far as I can tell, but I am not prepared to say at this moment.

1045. Then who did he communicate with on behalf of the new company?—Mr. Lefeuvre, as he had on behalf of the old company.

1046. You kindly promised to tell me on the last occasion, at what date his first communication, on behalf of the new company, came to you personally or otherwise?—I am afraid I cannot fix the first personal application; at what time he ceased to be the old company and became the new, I cannot be quite sure, but I have got a date here that I can give you.

1047. Will you give me about the date, if you please?—To the best of my belief, he wrote to me on the 2nd of February, saying, "We have formed a new company."

1048. On the 2nd of February was the first communication that you had?—

Mr. *F. I. Scudamore.*

5 July 1870.

The first written communication. I saw him very nearly every day during those months; but when he ceased to be the old company and became the new, I cannot tell you; it was so gradual a transition.

1049. During what months do you mean?—I should say between July 1869 and the end of February; I saw him very frequently.

1050. In January and February of this present year, you saw Mr. Lefeuvre pretty nearly every day?—Yes, I did; we constantly met; as I came to the office in the morning, I passed along Wallbrook and met him coming.

1051. Is he a personal friend of yours?—Not the least; I never saw him except on this business.

1052. I referred to your letter of the 30th of April, which is set out at page 13 of the Minutes; this is a report to the Lords of the Treasury in answer to their letter of the 6th of April: "My Lords, in replying to your Lordships' letter of the 6th instant, and returning the papers connected therewith, I beg first to state that I should be glad, if circumstances would have permitted me, to reply at an earlier date; this however has not been possible. It has been necessary to institute a careful inquiry as to the accuracy of some of the statements which have been made to your Lordships;" what inquiry did you institute with regard to the accuracy of those statements?—I endeavoured, as far as I possibly could, to ascertain who the contracting parties with the Treasury were, and what their relations one with the other were.

1053. Whom did you apply to?—I examined the correspondence with the departments, and I made such personal inquiries as I could.

1054. Personal inquiries of whom?—I made personal inquiries at the Treasury, and partly, but not in my own person, at the Board of Trade.

1055. Personal inquiries at the Board of Trade could tell you nothing about the parties; of whom did you make personal inquiries as to the condition and status of the parties?—I did not say that I made inquiries with regard to the condition and status of the parties.

1056. You said that you endeavoured to ascertain who the parties were?—No, I said in order to try and unravel the conflicting relations of the parties with each other.

1057. Of whom did you make those personal inquiries; did you not make personal inquiries?—Possibly I have used an incorrect term; I will go back to the words "careful inquiry."

1058. Did you not make personal inquiries?—Will you tell me what you mean by that?

1059. I mean inquiry by word of mouth from another person; did you not inquire by word of mouth from another person with regard to this matter?—Yes, I did at the Treasury.

1060. But besides the Treasury?—I do not think that I made a verbal inquiry of anyone else.

1061. No other person except the Treasury officials?—No.

1062. "In July last year the Channel Islands Telegraph Company, which was originally established under guarantee from your Lordships, but which had for some time failed to maintain telegraphic communication with the Channel Islands, proposed to re-establish that communication, and applied to your Lordships for a renewal of the guarantee; your Lordships having called upon me for my observations on the subject, I replied on the 9th August, describing the arrangements which the company proposed to make with respect to the transmission of their messages over the land lines of the United Kingdom, and giving an estimate of the number of messages which, if these arrangements were carried out, was likely to pass between the Channel Islands and the United Kingdom. I am led to believe, though I have no official information on the subject, that your Lordships declined to renew the guarantee to the company."——

1063. How were you led to believe that, if you had no official information on the subject?—

1064. Mr. *Bidder* (to the *Witness*].) "I am led to believe, though I have no official information on the subject, that your Lordships declined to renew the guarantee to the company"; having no official information on the subject, who led you to believe that?—The gentlemen at the Treasury who had charge of the case.

1065. That would have been official information, would it not?—No; it was not communicated to me officially, but in conversations as we came to town in

Mr. *F. I. Scudamore.*

5 July 1870.

the morning; the letter which you cross-examined me upon is not my letter; it is the letter of the Postmaster General.

1066. In the name of the Postmaster General you mean?—No; it was signed by him, and therefore the words are his words; and when he says he has not had official information, he means that they have not written officially.

1067. The letter being officially the letter of the Postmaster General, you are the officer of the Post Office who prepared the draft of it, I suppose?—Yes; I had not had official information of that guarantee having been refused.

1068. "In spite of your Lordships' refusal, the company appear for some time to have contemplated the renewal of telegraphic communication, but after a time they appeared to have abandoned their design; they were brought to this conclusion, I am informed, by the fear that the debts which they had incurred up to, and since, the breaking of their cable, would prove too heavy a burden upon them if they were to resume business as the Channel Islands Telegraph Company"; who informed you of that?—The Solicitor to the Post Office.

1069. That is to say, Mr. Ashurst?—Yes.

1070. Had he any connection with the old company?—I have not the remotest knowledge.

1071. "With a view, however, to establish telegraphic communication with the Channel Islands, by means of an undertaking uncrippled by debt, some of the directors and shareholders of the Channel Islands Telegraph Company projected and formed a fresh company, to be called the Jersey and Guernsey Telegraph Company;" who told you that those same directors were shareholders in the old company?—With regard to the directors, I saw it on the prospectus, and Mr. Lefeuvre told me that some of the shareholders were.

1072. The report then goes on to say, "Mr. Holmes, in his letter to your Lordships of the 5th of April, states, the matter has been officially brought under the notice of Her Majesty's Postmaster General, both with reference to the erection of the necessary land lines and the subsequent working of the circuit, and your Lordships ask me to state whether it is true that the proprietors of Mr Holmes' cable had been in communication with me; in reply, I beg to enclose a copy of the first communication received from Mr. Holmes, or from anyone else on the subject of this cable; it is dated the 1st of April;" what was the reason for your using that expression, "the first communication received from Mr. Holmes or from anyone else;" in the face of the communication that you had received from Mr. Stoffel in the earlier part of the year?—Because there was nothing whatever in those communications from Mr. Stoffel to show any connection to me at that time with Mr. Holmes or Mr. Henley, or anyone else.

1073. Will you be kind enough to give me Mr. Holmes' first letter to you?—Certainly (*handing the same to the learned Counsel*).

1074. I have now got Mr. Holmes' letter on the 1st of April, which was the first communication from you, and which is referred to in that report?—Yes.

1075. Now I believe that that letter is headed, "The Channel Islands Telegraph Company"?—Yes.

1076. Does not it say, "The Channel cable to connect Guernsey and Jersey with England is now being laid down"?—Yes, it does.

1077. Seeing the letter commencing in that way, did it not enter your mind to suppose that it had reference to a cable as to which there had been previous communications?—When I received that letter, I thought it was intended to convey to the department the idea that the cable referred to had been the subject of previous communications, and therefore I looked back for previous communications, but I failed to connect them together.

1078. You knew that there had been previous communications with Mr. Stoffel?—Yes; I looked at those communications, and I saw that he dated them from the Globe Telegraph Works; I knew that Mr. Henley's works are at North Woolwich, and I failed to connect the two things together.

1079. Thinking, as you did, that that letter was written with the intention of leading you to believe there had been previous correspondence with regard to the cable, and failing to connect the two things, did it never occur to you to write to Mr. Holmes and ask him to explain himself?—No, it did not.

1080. Did you return any answer whatever to that letter?—No.

1081. Why did you not do so?—Because at the time it came into my hand I knew that the laying of the cable had been stopped by orders directly conveyed from

Mr. *F. I. Scudamore.*

5 July 1870.

from the Treasury, and I thought I would wait the result of further communications.

1082. You thought that you would wait the result of further communications?—Yes.

1083. From whom?—From the Treasury.

1084. And you had further communications from Mr. Holmes shortly afterwards, did you not?—I believe I had; yes, there were several further communications.

1085. Did you answer them?—I think that one or two of them were acknowledged.

1086. There was one upon the 12th of April, from Mr. Holmes to you, to the following effect: "Sir,—Upon the 1st instant I addressed a communication to you with reference to the erection of about 1½ miles of land wire, required to connect the landing of the cable shore end with the nearest postal telegraph office, Tor Cross. I shall be obliged by receiving from you an early reply to that communication"?—Yes.

1087. Did you return any reply to that letter?—I believe that most of those letters from Mr. Holmes were brought by him to the Post Office, with a request to see me, but I was engaged. He saw a gentleman who acted on my behalf, and I told him to state that it was not in my power to give him any reply until the matter had been settled by the Treasury.

1088. The Treasury giving Mr. Holmes to understand that it was not in their power to tell him anything until the matter had been reported upon by you?—Yes.

1089. You could not give him any reply until the matter had been settled by the Treasury, and the Treasury gave him to understand that it was not in their power to tell him anything until you had reported?—Yes.

1090. While you were making those careful inquiries to ascertain the exact position of the parties, did you ever apply to Mr. Holmes, or to anybody on his behalf, or on behalf of the gentlemen whom he represented, to obtain their views and their statements; who they were, and what they represented?—No, I never applied to him. We had had several statements of their views, and what they represented.

1091. From other people you mean?—No, I mean from themselves.

1092. But you made no application to obtain their statement?—No, they appeared to pour in perfect torrents of statements.

1093. To you?—To me and the Treasury; there was, perhaps, a communication three times a week.

1094. You were in communication with the other company, were you not; with individuals?—I had been in communication with the other company from the beginning of February.

1095. Up to that time?—Yes.

1096. You were receiving from them their view of what their position was?—Yes, we received their view.

1097. I see you go on, a little further down in the report, to state, "In his letter of the 1st instant to this department, he states that the Channel Islands cable is now being laid down, as if he were calling attention to the completion of an undertaking with the particulars of which the department was perfectly acquainted. In his letter to your Lordships of the 6th instant, he states that the proprietors of the cable had not obtained the necessary consents, as it was considered that the previous consents of the old cable landings covered the present renewal?"—Yes.

1098. "Your Lordship will, no doubt, be at a loss to understand how the laying down of a new cable between two fresh points could be regarded as a renewal of the old cable." How did you know it was "between two fresh points;" from whose information?—Almost the first application that we had from Mr. Holmes was to lay down a cable to Start Point. The original cable had not been laid down to Start Point.

1099. You are speaking here of a cable between Guernsey and Jersey?—I was not aware of that.

1100. "In his letter of the 1st instant, to this department, he states that the Channel Islands cable is now being laid down, as if he were calling attention to the completion of an undertaking, with the particulars of which the department was perfectly acquainted. In his letter to your Lordships, of the 5th instant, he states

Mr. *F. I. Scudamore.*

5 July 1870.

states that the proprietors of the cable had not obtained the necessary consents, as it was considered that the previous consents of the old cable landings covered the present renewal"?—I only saw that expression of opinion from him, and I could not forestall the explanation which he has given to-day.

1101. But look again; "In his letter, of the 1st instant, to this department, he states the Channel Islands cable is now being laid down." And you refer to the fact that you knew their Lordships had stopped it between Guernsey and Jersey?—No, I beg your pardon; I understood the stop to be between Jersey and the mainland, on the 2nd of April.

1102. You say, in a former part of the report, "But as it was then known in the department that Mr. Holmes' proceedings had been stopped (the telegrams from the Home Office to the Governor of Jersey having been seen by Mr. Scudamore)"?—Undoubtedly; I thought that stop referred to laying down the cable between Jersey and the mainland. If I was wrong, it was simply because the whole of the information put before us was so defective that it was impossible to get at the truth.

1103. A little lower down in the report, you state, "Mr. Holmes has also forwarded to your Lordships, and to this department, memorials from some of the directors of the Channel Islands Telegraph Company, praying, on behalf of themselves and the shareholders of that company, that the necessary authority may be given to Mr. Holmes to lay down the cable; even these gentlemen, however, do not describe Mr. Holmes, and those who act with him, as the representatives of the Channel Islands Telegraph Company, but declare them to have formed themselves into the Channel Islands Telegraph Association." Just tell me, where had Mr. Holmes been so desirous; I see you said, previously, "Mr. Holmes has evidently been desirous to lead both this department and your Lordship, to believe that he and his friends are the representatives of the Channel Islands Telegraph Company." Where had Mr. Holmes endeavoured to lead you to believe that he was the representative of the Channel Islands Telegraph Company?—I have no doubt all that has reference to the statement that he considered the old consent applicable.

1104. *Chairman.*] That was on the 5th of April, was it not?—I am inclined to think that there was something else, but I cannot lay my hands upon it; but you must take that for the moment.

1105. Mr. *Bidder.*] You say that he was "evidently desirous;" I suppose he had established that desire in some way or other "to lead both this department and your Lordship to believe that he and his friends are the representatives of the Channel Islands Telegraph Company, without committing himself to a positive statement to that effect"?—I adhere to that.

1106. Then if it appears that he was desirous to lead the department and his Lordship to believe that he was the representative of the Channel Islands Telegraph Company, when had he expressed that desire?—He had endeavoured to do it in the various memorials which he had produced from the Channel Islands Telegraph Company.

1107. Will you point out one in which he led you to believe that he was the representative of the Channel Islands Telegraph Company?—I do not say that; but I referred to his statement, in which he said that he thought the old consents which were given to the Channel Islands Cable Company, if given at all, covered the renewal. What did that mean if it did not mean that he was going to renew the cables of the old company.

1108. That is what you referred to in this passage?—Yes.

1109. You go on to say, "I have not been able to ascertain that this association has been registered; I am informed that the memorialists have no right to do more in this matter than to express their opinion as individuals;" who informed you of that?—The solicitor to the department.

1110. "That no board meeting of the Channel Islands Telegraph Company has been convened to consider the subject;" who informed you of that?—The solicitor to the department.

1111. Do you think that he knew anything about it?—I do not know; he informed me of it.

1112. Had not Mr. Lefeuvre informed you of that?—No, he had not.

1113. Were you in communication with Mr. Lefeuvre at this time?—I received an enormous number of letters from him, and he tried to see me very frequently; but as my time was much occupied I saw as little as possible of him.

1114. But

1114. But in March and April you did see him from time to time, did you not?—Occasionally I did.

1115. Did he at those times discuss with you the matters of the new company?—The new company? Yes. He made certain applications to me on behalf of the new company, which I systematically resisted.

1116. Did Mr. Lefeuvre advocate the interests of the new company?—Yes.

1117. And did he deprecate the position taken by Mr. Holmes and his friends?—Certainly, he protested against it.

1118. Did Mr. Lefeuvre represent to you that Mr. Holmes and his friends were persons not worthy of your support?—No.

1119. And that they were in a false position?—No.

1120. Did he say nothing to their disadvantage with regard to this undertaking?—I cannot say that he did.

1121. Then you go on to say in the report: "The question then resolves itself into this: there are two applicants for permission to lay a cable between Jersey and the United Kingdom. Is that permission to be given to both, or to one only?—I think it is open to doubt whether the traffic will pay a commercial company for laying one cable, but I am confident there is no probability that the traffic will pay for two cables. To permit the laying of two cables will be to permit a ruinous and unnecessary competition." What caused you to put that into the report, and to take upon yourself to put it into the Postmaster General's mouth to consider the question of trade between the two parties; did you conceive it to be the duty of the Post Office to restrict competition?—I conceived it to be the duty of the Post Office, when it is making a report to another public department charged with an important case, to express its opinion as fully as possible.

1122. You did consider that competition between two private companies or undertakings was a matter in which the Post Office had jurisdiction to express its opinion?—Certainly.

1123. And you conceived that you were justified in advising the Lords of the Treasury to use their power over the Crown lands in creating a monopoly in favour of one of those parties?—I thought it right on the part of the department to point out that competition in this case would be wasteful.

1124. *Chairman.*] And inconvenient to the public interest?—And inconvenient to the public interest.

1125. Mr. *Bidder.*] You go on to say, "I have heard that your Lordships have expressed your willingness to grant the necessary consent to the Guernsey and Jersey Telegraph Company, and I am of opinion that in giving this consent your Lordships will have done enough for the public interest." You meant to intimate that you thought they should not go further?—I did.

1126. You did advise their Lordships to create a monopoly in favour of the new company, did you not?—No. Finding that their Lordships had determined to permit one company to work, I told them that it would be inconvenient to permit another company to work.

1127. That is very much like creating a monopoly in favour of one company, is it not?—You may put it so if you like.

1128. Then you go on to say, "It is not, in my opinion, desirable that the cases for pressure should be multiplied; and they certainly will be multiplied if facilities be given to Mr. Holmes and those who work with him, to manufacture an undertaking for sales to the Government." Now, am I to understand that you represented that, in your opinion, Mr. Holmes and those who were with him, were manufacturing and undertaking for the purpose of selling it to the Government?—Yes, you may.

1129. What grounds had you for making that very serious imputation against Mr. Holmes and his friends?—That was the opinion I formed after going into the whole of the correspondence.

1130. That is to say, after being in communication with Mr. Lefeuvre, and having made no communication whatever to Mr. Holmes?—Yes.

1131. You never asked for the slightest explanation from Mr. Holmes and his friends, but having heard only the representations of one side, you took it upon yourself to make a report to the Treasury, in which you directly imputed to Mr. Holmes and his friends, that they were manufacturing an undertaking for the purpose of sale to the Government?—Yes. I will give you an additional opinion which I formed at an earlier period. When I supposed that applications were coming in to us on the one side, from the old company, and on the other side,

Mr. *F. I. Scudamore.*

5 July 1870.

from the new company, and when I saw that there was a split in the old company, and that it was broken up into two halves, I came to the conclusion that each half was trying to sell its undertaking, as a whole, to the Government.

1132. Then how was it that you came to support the undertaking of the new company?—I have not supported it.

1133. You thought that each half was trying to sell its undertaking to the Government as the whole; have you not advised and supported the granting of the necessary permissions to the new company, and have you not assented to their being conceded in this Bill?—I have not advised it.

1134. Have you not assented to the clause under which they are to obtain compensation?—Yes; what other course could I take, the Treasury having assented to it.

1135. Are you still of opinion that the new company was got up for the purpose of sale to the Government?—I have not said that.

1136. You said that you were of opinion that the new company was got up for the purpose of sale to the Government; are you still of that opinion?—I did not say that the new company got up the undertaking with a view to a sale to the Government; I said my opinion was that the two halves of the old undertaking were each trying to sell their half as a whole, but I did not say that the new company was got up for that purpose.

1137. Did you believe that the new company was got up for the purpose of selling their undertaking as a whole to the Government?—No, I believe undoubtedly that the new company was got up primarily with the object of working, but I thought it extremely probable that after they had worked it a little while, they would try to sell to the Government.

1138. What did you mean by saying that the two halves of the old undertaking were trying to sell each their half, as a whole, to the Government?—If you will have the whole thing, it is this: my impression is, that whatever company had been allowed to work between the Channel Islands and the main land, would, in a very short time, in some way have caused pressure to be put on the Government to buy its undertaking. That I said the other day, and I stick to it.

1139. What you said just now amounted to a good deal more than that. You represented, I think, that you had an opinion that both undertakings at one time were got up for the purpose of sale to the Government?—No, I did not say that; I said that I thought both companies were trying to sell the half as a whole. I did not say that they were got up for the purpose of selling to the Government.

1140. But you did not approve of that?—No.

1141. And you believe that still?—I believe that if you let both halves do the work, each will have to be bought as a whole.

1142. Do you still believe that they were got up for that purpose?—I do not say that they were got up for that purpose; but I do not want to evade the point in any way.

1143. We may take it that you did not approve of the action of the new company?—Certainly not.

1144. Are you still of the same opinion as you were then?—I should strongly disapprove of our buying the two halves as two wholes.

1145. But do you approve of buying one-half as a whole?—Not if I can avoid it; and I do not think we are going to do it.

1146. Did you believe that the new company was got up with the view to ultimate sale to the Government?—I have not said so.

1147. But did you believe it; was that what you meant?—No, that was not what I meant.

1148. Did it not occur to you that before making this imputation against Mr. Holmes and his friends to the Treasury, it would have been only fair to have had some communication with him?—I thought that we had all the communications that were necessary for making that report.

1149. But had you known at that time that Mr. Holmes and his friends had been engaged in preparing to lay down this cable, would you have been of the same opinion?—If at that time I had had the pleasure of sitting in this room for three days, and hearing all I have heard, I should have written the same letter.

1150. If you had known that Mr. Holmes and his friends had been preparing to lay down this cable, would you have made that representation to the Treasury.

Mr. Serjeant *Sargood* submitted that Mr. Bidder was not entitled to ask that question.

Mr. *F. I. Scudamore.*

5 July 1870.

The *Chairman* stated that the Committee were of opinion that the question ought not to be put.

1151. Mr. *Bidder.*] Does not the fact now disclosed to you by the evidence that they were engaged in this business in December, change your opinion?—Not in the least.

Mr. Serjeant *Sargood* stated that he did not admit that that fact appeared on the evidence.

1152. Mr. *Bidder.*] With regard to Mr. Stoffel's statement, that he had obtained the consent of the Woods and Forests, and your statement, believing that it was utterly untrue, I beg to draw your attention to the letters written by the Woods and Forests, and by the Board of Trade, to Mr. Stoffel, and I ask you if you still consider that you were justified in making that statement?—I do.

1153. Just listen for one moment while I read you the letter from the Woods and Forests: "So far as regards the shore between high and low water-marks immediately adjacent to the coast of Devon, upon which a portion of the proposed cable is to be laid, I shall be prepared to grant a license to the Channel Island Telegraph Company (Limited), to lay down and maintain that portion of the cable, upon payment of a rent of 1 *l.* per annum, subject to the following conditions:" was not that substantially a promise of assent on the part of the Woods and Forests?—No. In the first place it was a promise of assent on certain conditions to the Channel Islands Telegraph Company (Limited), which company was not represented by Mr. Stoffel.

1154. On that point, Mr. Stoffel having obtained that letter, you charge him with saying that it was utterly untrue, because you take the point, that although they wrote it to him, they used the expression, "Channel Islands Telegraph Company (Limited)"?—Yes; I say he led the department to believe that he was representing some one whom he did not represent, and if he obtained the consent, he obtained it by false representations; and any consent that he did obtain was incomplete and worth nothing at all.

1155. But Mr. Stoffel had obtained that consent, and substantially it is true. This is the letter of the Board of Trade: "I am directed by the Board of Trade to acknowledge the receipt of your letter of the 31st ultimo, transmitting a duplicate plan of the landing-place of the proposed new cable at Start Point, and in reply, I am to acquaint you that on comparing that plan with the Ordnance sheet forwarded by you on the 21st December last, the track of the cable does not appear to be identical, and I am to request that you will cause the position of the cable to be laid down on the enclosed plan." "I am to add, that when the terms of the licenses have been settled, the assent of the Board of Trade will be given to the plans"?—Yes.

1156. Now, I ask you were not those two letters substantially, and without making technical points with regard to whether it was the Channel Islands Telegraph Company, or not, sufficient to warrant a man in telling you that he had obtained the consent of the Woods and Forests, and the Board of Trade?—Taking all the facts together, they were not.

1157. Will you now explain to me how the "Monarch" came to be lent to the new company for the purpose of their cable?——

Mr. Serjeant *Sargood* suggested that the "Monarch" was not so lent.

1158. Was it?—No, it was not.

1159. Was it promised?—It was conditional on the Treasury giving permission to the Jersey and Guernsey Telegraph Company to lay down a cable.

1160. Who was that promised to?—By Mr. Culley, the engineer in chief; whether he promised it to Mr. Bullivant, I cannot say. Mr. Preece is named in your petition for a post that he does not occupy.

1161. Mr. *Bidder.*] On whose application was the "Monarch" promised to him?—I believe it was on Mr. Lefeuvre's application.

1162. To whom?—To Mr. Culley. Mr. Culley came to me and said, "We have the 'Monarch' at rest, eating her head off, and I believe they are willing

Mr. *E. J. Scudamore.*

5 July 1870.

to hire her;" and I said, "I see no objection when the Treasury have allowed the company to lay the cable; until then they cannot have her."

1163. Mr. Serjeant *Sargood.*] Was that to the contractor?—Yes, to the contractor.

1164. Mr. *Bidder.*] You have seen the clause which I handed in this morning, have you not?—Yes.

1165. Is there anything in that clause endeavouring to make an unfair sale of this matter to the Government?

Mr. Serjeant *Sargood* was heard, objected to the question as being a legal one.

1166. Mr. *Bidder.*] Assuming the *bona fides* of the undertaking, is that a fair clause?—I can only say that I object to the clause on behalf of the Post Office.

1167. I will ask you the grounds on which you object?—

Mr. Serjeant *Sargood* heard on objection to the question.

The *Chairman* stated that the Witness could hardly be called upon to answer the question.

1168. Sir *Lawrence Palk.*] You object on public grounds, I suppose?—Yes, I do.

1169. Do you happen to know whether the foreshore at Start Point is in the Duchy of Cornwall or in the Crown?—I do not know.

1170. *Chairman.*] Have you read the paragraph in Mr. Henley's petition, in which it is stated that "Your petitioner humbly submits that the new company which has been registered and formed, as he is informed and believes, since the Government came to the determination of extending the Telegraphs Act to the Channel Islands, has been formed for the purpose of disposing of the same to the Government, and he submits also that an official employed in Her Majesty's public service, and under whose immediate care, and to whose control the public telegraphy department is entrusted, was (if he is not now) a large shareholder in that company, which your petitioner submits is wholly contrary to the practice and policy of Parliament"?—Yes, I have read that.

1171. Who is the "official employed in Her Majesty's public service, and under whose immediate care, and to whose control, the public telegraphy department is entrusted;" whom would you understand by that?—If not your Lordship, it must be myself, I think

1172. Did you understand that that was an imputation against you?—I understood it was intended to appear to the Committee as an imputation upon me.

Mr. Serjeant *Sargood.*] We all thought so.

Mr. *Bidder.*] Nobody ever thought of raising an imputation of that kind against Mr. Scudamore.

1173. *Chairman.*] We have been told that the "official" who was alluded to was Mr. Preece. Can it be said that the telegraph department is under the immediate care and control of Mr. Preece?—Certainly not.

1174. Mr. *Muntz.*] Were you a large shareholder in the company at that time?—No.

[The Witness withdrew.

Mr. *William Henry Lefeuvre*, called in; Examined by Mr. *Freeman.*

Mr. *W. H. Lefeuvre.*

1175. You are an Engineer, are you not?—I am.

1176. You are a native of the Island of Jersey?—I am.

1177. And you are interested in public works both there and at Guernsey, are you not?—Yes.

1178. You are also Chairman of the Jersey Railway Company, are you not?—I am.

1179. I believe that your family are landowners in Jersey, and largely interested in the island?—They are.

1180. The Jersey railway, I believe, has been recently constructed?—It will be

be completed within the next fortnight, and ready for opening; it is only waiting for locomotives to get over there.

1181. Will you be kind enough to point out the railway on the map to the Committee?—I will do so (*pointing it out on the Map*). This is a plan of the Island of Jersey. This is the principal town, St. Heliers, and there is another town, with a population of about 2,000, St. Aubyns. The cable coming from Guernsey comes in at this point; the wires are erected and carried through St. Heliers; I mean the Jersey land lines. We are sending messages for 3 *d.* all the way; they go through this way (*pointing to the Map*). With regard to the arrangements entered into before I was aware of this Bill, we had entered into an arrangement with the Post Office to pay a rent of 1 *s.* a week, and a commission on the receipts, of 15 per cent., so that we reduced the cost of our stations to a minimum taking the same scale as is adopted in France; they charge a rate of 5 *d.* for a message from one department to another; in this case we charge 3 *d.*, but we make a small charge for porterage. A message comes from England to here (*pointing to the Map*), where I reside; it goes to St. Heliers. I pay 5 *s.* for porterage, and 6 *s.* 8 *d.* for a message through France; that is 11 *s.* 8 *d.* The practical result is, that though we might have a uniform 1 *s.* rate from England to the island, that would be practically inoperative to all except people residing in the immediate vicinity of the station. It is a very small island, and it is very thickly populated. We are scattered all over the island; we have no villages. We have equal divisions of property there, and the consequence is that we have very small holdings there; people have a farm of two or three acres; in fact, the whole island is covered with people, and, except for the people residing within the immediate vicinity of the station, as I have already stated, though we might have a uniform rate of 1 *s.* from England to France, it would be practically inoperative. We have only one money-order office there, and the 1 *s.* tariff would be practically inoperative.

1182. That is to say, in the island?—Yes.

1183. You mean on account of the porterage?—Yes, on account of the porterage. I am just over four miles, and I pay 5 *s.* for every message that comes to me, and I have got the wires running within a quarter of a mile of my residence.

1184. Mr. *Neville-Grenville.*] What you want is a cheaper rate for inland messages, is it not?—Yes; but Mr. Scudamore is bound to make a uniform rate.

1185. *Chairman.*] Your complaint appears to be that the telegraph is so far from your house?—Yes; Mr. Scudamore would only be bound to give us one telegraph office here, and it is not, in fact, obligatory on him to give a telegraph office at all. There is nothing in the Act of Parliament to compel it.

1186. But there is nothing to prevent him, is there?—But your Lordship will see that this land line goes right through the island. The wires are laid down, and arrangements are entered into with those postal stations, and it is a very hard case if the landowners allow those wires to go through their land with the distinct understanding that they are to have a cheap rate, if they are not to have it. The practical result is, that the 1 *s.* rate would be prohibitory. If Mr. Scudamore were over there, he would agree with me that this is an exceptional case. The houses are scattered all over the island. If Mr. Scudamore will say so, and will agree that so many stations shall be placed in the island, that might get rid of my difficulty.

1187. Your desire appears to be rather to have more stations than a cheaper rate?—That would be the same thing. Some of those stations are open.

1188. Mr. *Scudamore.*] Who works this station now (*referring to the Map*)?—The Jersey and Guernsey Telegraph Company. We work this one station (*pointing it out on the Map*).

1189. Mr. *Scudamore.*] I shall not shut that station?—There is nothing in the Bill to prevent your shutting it.

1190. Mr. *Neville-Grenville.*] You do not complain of your 1 *s.* rate, but what you complain of is the porterage of 1 *s.* a mile, is it not?—

1191. *Chairman.*] But are you not mixing up two things together?—No, I am only looking at the matter in a public point of view; I believe it is to Mr. Scudamore's own interest that he should have the option of having a lower rate.

Mr. *Scudamore.*] I am sure that it is not; we have some equally exceptional cases.

Mr. *W. H. Lefeuvre.*

5 July 1870.

Witness.] This is tantamount to shutting out local telegraph communication from the island. The wires are already laid, and we take them into use, and we pay 1 *s.* a week rent; besides that we give the person that takes the messages an interest in 15 per cent. of the receipts in addition.

1192. How long has that station (*pointing to the Map*) been opened?—I suppose that station has been opened something like three or four years.

1193. Mr. *Freeman.*] What is the arrangement between the railway company and the telegraph company with respect to telegraphing over the railway?—The arrangement between them is on the same basis, as you have just explained in your address to the Committee.

1194. But I mean with regard to telegraphing?—It is the same arrangement.

1195. What is the total rate that they charge?—From St. Heliers to St. Aubyns, 3 *d.*; we give the postmaster the option of charging 3 *d.*; we have everything in miniature in this island.

1196. Will you be kind enough shortly to state to the Committee what are the arrangements between the railway company and the telegraph company with reference to the telegraph wires?—The telegraph wires are laid along the railway; they are between the rails and the fence of the railway company; so that, assuming Mr. Scudamore takes over the Jersey and Guernsey Telegraph Company, he cannot have any communication at St. Heliers except by means of the railway company. This railway company is incorporated by an Act of our own Parliament, which is a very peculiar Act. My sole object in coming here was to empower the railway company and the Post Office to enter into an arrangement. I question very much whether the railway company could do it unless some clause is inserted in the Bill.

Cross-examined by Mr. Serjeant *Sargood.*

1197. If you merely want an enabling clause, and there are legal difficulties in the way, we shall be very happy to do it?—Of course, if the Post Office take the wires over from the railway company, they will have to compensate them.

1198. If you think that we cannot make a contract with you, we will have an enabling clause to enable the Postmaster General to make a contract with your company?—I think that would satisfy us.

1199. I believe that we can do it already?—It is very doubtful, I think. All those Acts apply to Jersey and Guernsey; the Acts are not passed by the Legislature here; they are passed by the local Parliament, and are referred to the Queen in Council. It has been said that Parliament has no right to legislate for the Channel Islands. With the exception of the Post Office Act, I do not believe that Parliament has hitherto legislated for us.

1200. *Chairman.*] But still there is nothing to prevent the Post Office making a contract with the railway company, or anything else, is there?—I do not know.

1201. Mr. Serjeant *Sargood.*] By the present Act, we make Jersey and Guernsey part of the United Kingdom for telegraphic purposes, and therefore there can be no difficulty?—I think——

1202. Mr. *Freeman.*] But the Jersey Railway is not incorporated under the General Statutes, is it?—No.

1203. Mr. Serjeant *Sargood.*] What difficulty is there in the Post Office making a contract with anybody it chooses in the island?—I question whether they would have the power to take land compulsorily.

1204. We do not want it; is there anything in the Jersey law which would prevent our making a voluntary contract with the railway company, or anybody else?—I do not know.

1205. Mr. *Hurst.*] There can be no doubt about the power of the Post Office to make a contract with the railway company if they are willing?—I merely suggest that; I know the Jersey law is very peculiar. If the Post Office say that they have no objection to give us power to enter into a contract with them, that would get over a great deal of the difficulty. With regard to the question of land, this railway has been constructed on the foreshore, and there are very intricate questions arising there. It would be very much safer for the Post Office

Office and the railway company to have actual powers to enter into an agreement. If they did not agree, that might involve the Post Office in laying down lines under the road at a cost of seven times what they could do it for otherwise.

1206. Mr. Serjeant *Sargood.*] At present you have a contract, as I understand you, in words with the telegraph company?—Yes; I am chairman of the railway company, and I am also chairman of the telegraph company.

1207. Do I understand you to say that the railway company grant wayleaves to the telegraph company, and that, in return, the telegraph company undertake to keep the posts and wires alive, and to give the railway company the use of those wires for their private service?—Yes, that is the honourable understanding.

1208. Is it your belief that if we buy up that telegraph company you are still bound in law to grant us a wayleave?—It is a question that might arise in law, because it is merely an honourable understanding.

1209. Is it your opinion that you would be bound in law to continue the grant of wayleaves to us?—The posts are there, and there is an understanding existing; in equity, no doubt, it would stand, but with regard to the law I can scarcely say.

1210. In equity you think that you are bound to continue the grant of wayleaves?—Yes.

1211. Do you not think that we are bound to keep up the posts, and give you the use of the wires, on the same principle?—I question very much whether the railway company——

1212. Jersey equity is a one-sided thing, I suppose?—We have no court of equity there.

1213. Well, then, there would be nothing binding on either of us; is that what you mean?—There is merely this honourable understanding.

1214. There would be nothing binding on the Postmaster General, or upon you, you think?—I will not express an opinion whether it is binding or not.

Re-examined by Mr. *Freeman.*

1215. Your desire is that it should be made binding by this Bill, is it not?—Yes.

1216. What would be the effect, in your opinion, on the telegraph traffic if the Post Office charge 1 *s.* for each message?—The increase would be something enormous; it would be tantamount very nearly to being prohibitory.

Re-examined by Mr. Serjeant *Sargood.*

1217. If the Postmaster General makes you a present of 5 *s.* for every message outside the island, that will be a very good set-off, will it not?—That is outside the island; but I only speak now with regard to local messages.

[The Witness withdrew.

REPORT

FROM THE

SELECT COMMITTEE

ON THE

TELEGRAPH ACTS EXTENSION BILL;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE

AND

MINUTES OF EVIDENCE.

Ordered, by The House of Commons, *to be Printed,*
5 *July* 1870.

[*Price* 10 *d.*]

336.

Under 8 *oz.*

REPORT

FROM THE

SELECT COMMITTEE

ON

TRAMWAYS BILL;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE

AND

MINUTES OF EVIDENCE.

Ordered, by The House of Commons, *to be Printed*,
2 *May* 1870.

Monday, 7th March 1870.

Ordered, THAT the Tramways Bill be read a second time, and committed to a Select Committee.

Monday, 14*th March* 1870.

Ordered, THAT the Select Committee do consist of Nine Members, viz. :—

Mr. Shaw Lefevre.	Mr. Cawley.
Colonel Wilson Patten.	Mr. Hibbert.
Mr. Ayrton.	Lord George Hamilton.
Mr. Sclater-Booth.	Mr. Loch.
Mr. Dent.	

Oraered, THAT the Committee have power to send for Persons, Papers, and Records.

Ordered, THAT Five be the Quorum of the Committee.

Wednesday, 23*rd March* 1870.

Ordered, THAT all Petitions presented during the present Session against the Bill be referred to the Committee, and such of the Petitioners as pray to be heard by themselves, their Counsel, or Agents, be heard upon their Petitions if they think fit; that Counsel be heard in favour of the Bill against the said Petitions; and that the Minutes of Evidence taken before the Committee on the Metropolitan Tramways Bills in Session 1869, be referred to the said Committee.

Monday, 28*th March* 1870.

Ordered, THAT it be an instruction to the Committee on the Tramways Bill, that they have power to extend the Bill to Scotland.

Ordered, THAT all Petitions from Scotland relating to the Tramways Bill be referred to the Committee.

Ordered, THAT the Select Committee do consist of Nine Members, read, and discharged.—Committee to consist of Ten Members.—Mr. Dalglish added to the Committee.

Friday, 29*th April* 1870.

Ordered, THAT the Committee have power to report the Minutes of Evidence taken before them to The House.

REPORT - - - - - - - - - - - - - p. iii
PROCEEDINGS OF THE COMMITTEE - - - - - p. iv
MINUTES OF EVIDENCE - - - - - - - - - p. 1

REPORT.

THE SELECT COMMITTEE on the TRAMWAYS BILL have considered the said Bill, and taken Evidence thereon, which they have agreed to report to The House; and have gone through the Bill, and made Amendments thereunto.

2 *May* 1870.

PROCEEDINGS OF THE COMMITTEE.

Thursday, 17*th March* 1870.

MEMBERS PRESENT:

Mr. Shaw Lefevre.	Mr. Dent.
Colonel Wilson Patten.	Mr. Cawley.
Mr. Ayrton.	Lord George Hamilton.
Mr. Sclater-Booth.	Mr. Loch.

Mr. *Shaw Lefevre* was called to the Chair.

The Committee deliberated.

[Adjourned till Thursday next, at Twelve o'clock.

Thursday, 24*th March* 1870.

MEMBERS ALL PRESENT.

TRAMWAYS BILL.

Agents:—Messrs. *Wyatt & Hoskins.*

The following Petitions were read, and appeared upon:

1. Corporation of Liverpool.
   Agent:—Mr. *Joseph Raynor.*
2. Corporation of Leeds.
   Counsel:—Mr. *Aspinall.*
   Agents:—Messrs. *Simson & Wakeford.*
3. Metropolitan Board of Works.
   Counsel:—Mr. *Evelyn Ashley.*
   Agents:—Messrs. *Dyson & Co.*
4. Corporation of Salford.
   Agents:—Messrs. *Wyatt & Hoskins.*
5. Lambeth Waterworks Company.
   Agents:—Messrs. *Bell & Steward.*
6. Manchester Carriage Company.
   Agent:—Mr. *J. Newall.*
7. Corporation of Manchester.
   Agents:—Messrs. *Wyatt & Hoskins.*
8. Manchester, Hyde, and Mottram Road Trustees.
   Agents:—Messrs. *Dyson & Co.*
9. Corporation and Board of Police of Glasgow.
   Counsel:—Mr. *J. Clerk.*
   Agents:—Messrs. *Simson & Wakeford.*
10. Promoters

10. Promoters of Birmingham and Staffordshire Tramways Bill.
Agents:—Messrs. *Martin & Leslie.*

11. Whitechapel District Board of Works.
Agents:—Messrs. *Dyson & Co.*

12. Glasgow and Yoker Turnpike Road Trustees.
Counsel:—Mr. *Davidson.*
Agents:—Messrs. *Grahames & Co.*

13. Great Western Turnpike Road Trustees.
Counsel:—Mr. *Davidson.*
Agents:—Messrs. *Grahames & Co.*

14. Glasgow and Shotts Turnpike Road Trustees.
Counsel:—Mr. *Davidson.*
Agents:—Messrs. *Grahames & Co.*

15. Glasgow and Three-mile House and Renfrew Bridge Turnpike Road Trustees.
Counsel:—Mr. *Davidson.*
Agents:—Messrs. *Grahames & Co.*

16. Local Board of Health of West Derby.
Agent:—Mr. *S. Price.*

17. Promoters of Birmingham Tramways Bill.
Agents:—Messrs. *Dorington & Co.*

18. Renfrewshire Road Trustees.
Agents:—Messrs. *Grahames & Co.*

19. Promoters of Liverpool Street Tramways Bill.
Agents:—Messrs. *Dorington & Co.*

20. Messrs. *Dorington & Co.*, Agents for the Promoters of the Portsmouth Tramways Bill.
Agents:—Messrs. *Dorington & Co.*

21. East London Waterworks Company.
Agents:—Messrs. *Bircham & Co.*

22. Trustees of Glasgow Bridges.
Agents:—Messrs. *Connell & Hope.*

23. North Metropolitan Tramways Company.
Agents:—Messrs. *Sherwood & Co.*

24. Owners, &c. of Collieries, &c.
Counsel:—Mr. *Edwards.*
Agents:—Messrs. *Dyson & Co.*

25. Promoters of Street Tramways Bills in Glasgow, Leeds, Manchester and Plymouth, Stonehouse and Devonport.
Agents:—Messrs. *Dorington & Co.*

26. Metropolitan Street Tramways Company and Pimlico, Peckham, and Greenwich Street Tramways Company.
Counsel:—Mr. *Pope* and Mr. *C. E. Thomas.*
Agents:—Messrs. *Dorington & Co.*

27. New River Company.
Agents:—Messrs. *Baxter, Rose & Norton.*

28. Liverpool and Prescott Road Trustees.
Agents:—Messrs. *Dyson & Co.*

29. Hay Salesmen in Whitechapel.
Counsel:—
Agents:—Messrs. *Dyson & Co.*

30. Staffordshire Potteries Street Railway Company.
Agents:—Messrs *Dorington & Co.*

 31. Corporation

31. Corporation of Birmingham.
Agents:—Messrs. *Sharpe & Co.*

32. London General Omnibus Company.
Agents:—Messrs. *Dyson & Co.*

33. Great Western Railway Company.
Agents:—Messrs *Dyson & Co.*

34. Messrs. Shoolbred & Company.
Agents:—Messrs. *Dyson & Co.*

35. Liverpool Tramways Company.
Agents:—Messrs. *Sherwood & Co.*

36. Imperial Gaslight and Coke Company.
Agents:—Messrs. *Sherwood & Co.*

37. Prestwich, Bury, and Ratcliffe Road Trustees.
Agents:—Messrs. *Dyson & Co.*

38. Lancashire and Yorkshire Railway Company.
Agents:—Messrs. *Dyson & Co.*

39. Metropolitan Railway Company.
Agents:—Messrs. *Burchall & Co.*

40. London and North Western Railway Company.
Counsel:—Mr. *Merewether* and Mr. *Round.*
Agents:—Messrs. *Blenkinsop & Co.*

41. North London Railway.
Counsel:—Mr. *Merewether* and Mr. *Round.*
Agents:—Messrs. *Blenkinsop & Co.*

42. Cumberstang and Muirkirk, &c. Road Trustees.
Agents:—Messrs. *Grahames & Co.*

The Committee deliberated.

[Adjourned till Tuesday next, at Twelve o'clock.

Tuesday, 29th March 1870.

MEMBERS PRESENT:

Mr. Shaw Lefevre, in the Chair.

Colonel Wilson Patten	Mr. Cawley.
Mr. Ayrton.	Lord George Hamilton.
Mr. Sclater-Booth.	Mr. Loch.
Mr. Dent.	Mr. Dalglish.
Mr. Hibbert.	

The following Petitions were read, and appeared upon:

1. Justices of Lancashire.
Counsel:—Mr. *Gorst.*
Agent:—Mr. *Sudlow.*

2. Inhabitants of Oxford-street.
Agents:—Messrs. *Dyson & Co.*

3. South Eastern Railway.
Agents:—Messrs. *Dyson & Co.*

4. Corporation of London.
Counsel:—Mr. Serjeant *Sargood.*
Agent:—Mr. *Corrie.*

5. Commissioners of Sewers of the City of London.
Agent:—Mr. *Corrie.*

6. Southwark and Vauxhall Waterworks Company.
Agents:—Messrs. *Hargrove & Co.*

7. Grand

7. Grand Junction Waterworks Company.
Agents:—Messrs. *Hargrove & Co.*

8. Midland Railway Company.
Counsel:—Mr. *Round.*
Agents:—Messrs. *Dyson & Co.*

Mr. *Round* was heard on behalf of the Railway Companies, and called Mr. *Thomas Coates,* who was examined.

Mr. *Rodwell* was heard on behalf of the Metropolitan Board of Works.

Mr. *Newall* was heard on behalf of the Manchester Omnibus Company.

Mr. *Edwards,* on behalf of the Owners of Collieries and other persons interested in Canals in Lancashire, called Mr. *Thomas Part,* who was examined.

[Adjourned till To-morrow, at Twelve o'clock.

Wednesday, 30th March 1870.

MEMBERS PRESENT:

Mr. Shaw Lefevre, in the Chair.

Colonel Wilson Patten.	Mr. Cawley.
Mr. Ayrton.	Lord George Hamilton.
Mr. Sclater-Booth.	Mr. Loch.
Mr. Dent.	Mr. Dalglish.
Mr. Hibbert.	

Mr. *Denison* was heard on behalf of the Owners of Collieries and other persons interested in Canals in Lancashire.

Mr. *Round* was heard on behalf of the Water Companies and other persons interested in matters under the roads.

Mr. *Gorst* was heard in support of the Petition of the Justices of Lancashire.

Mr. *Shrubsole* was heard on behalf of the Trustees of the Turnpike Roads, and called Mr. *John Lingard Vaughan,* who was examined.

On behalf of the Corporations and Local Authorities the following witnesses were examined:—Sir *Joseph Heron,* Mr. *E. T. Hayes,* and Mr. *Joseph Raynor.*

[Adjourned till To-morrow, at Twelve o'clock.

Thursday, 31st March 1870.

MEMBERS PRESENT:

Mr. Shaw Lefevre, in the Chair.

Colonel Wilson Patten.	Mr. Cawley.
Mr. Ayrton.	Lord George Hamilton.
Mr. Sclater-Booth.	Mr. Loch.
Mr. Dent.	Mr. Dalglish.
Mr. Hibbert.	

The following Petition was appeared upon.

1. Promoters of the Leeds Tramways Bill—(Mr. *F. Smith* and others).
Counsel:—Mr. *Pope* and Mr. *Thomas.*
Agents:—Messrs *Sherwood & Co.*

2. Vestry of St. Marylebone.
Counsel:—Mr. *Granville Somerset.*
Agent:—Mr. *Greenwell.*

Mr. *Serjeant Sargood* was heard on behalf of the Corporation of London.

Mr. *Clerk* was heard on behalf of the Corporation and Board of Police of the City of Glasgow, and called Mr. *Alexander Monro,* who was examined.

Mr. *Davidson*, on behalf of the Turnpike Road Trustees in the neighbourhood of Glasgow, addressed the Committee, and called Mr. *Andrew Hoggan*, who was examined.

In support of the petitions of the inhabitants of Oxford-street and Messrs. Shoolbred, Mr. *Thomas Coates* was examined.

Mr. *Granville Somerset* was heard on behalf of the Vestry of St. Marylebone, and called Mr. *Walpole Eyre Greenwell*, who was examined.

Mr. *Newall* was heard in support of the petition of the Manchester Carriage Company, and called Mr. *C. S. Grundy*, who was examined.

[Adjourned till Monday next, at Twelve o'clock.

Monday, 4th April 1870.

MEMBERS PRESENT:

Mr. SHAW LEFEVRE, in the Chair.

Colonel Wilson Patten.	Mr. Dent.
Mr. Loch.	Mr. Cawley.
Mr. Sclater-Booth.	Mr. Hibbert.
Mr. Dalglish.	Mr. Ayrton.

Mr. *Joseph Raynor* re-called.

Mr. *John Layton* examined.

Mr. *C. E. Thomas*, on behalf of the owners of existing Tramways, called Mr. *John Morris*, Mr. *George Hopkins*, C.E., Mr. *Benjamin Boothroyd*, and Mr. *Barron Emmanuel*, who were severally examined.

Room cleared.—The Committee deliberated.

[Adjourned till Thursday next, at Two o'clock.

Thursday, 7th April 1870.

MEMBERS PRESENT:

Mr. SHAW LEFEVRE, in the Chair.

Lord G. Hamilton.	Mr. Dent.
Mr. Loch.	Mr. Hibbert.
Mr. Sclater-Booth.	Mr. Cawley.
Mr. Dalglish.	Colonel Wilson Patten.

RESOLUTIONS to be proposed by the Chairman, read as follows:—

"1. That Provisional Orders be substituted for certificates.

"2. That the consent of ratepayers be not required.

"3. That inquiries by Referee of the Board of Trade be permissive, and at the discretion of the Board of Trade.

"4. That the Board of Trade have power to proceed with a Provisional Order, notwithstanding that certain of the local or road authorities refuse their consent, and to report to Parliament their reasons for the same.

"5. That the powers of sale conferred upon Promoters by Clause 5 be limited to local authorities.

"6. That the Provisional Order specify the nature of traffic for which the Tramway is sanctioned: where the Tramway is sanctioned for other than passenger traffic, Promoters to allow all carts or trucks with flange wheels to use the same on payment of tolls.

"7. That the maximum tolls be inserted in the Schedule, with power to the Board of Trade to reduce the same in Provisional Orders.

"8. That

"8. That the Bill be extended to Scotland.

"9. That the Metropolitan Board be the local authority for London (except the City), but the consent of the vestries be necessary in the case of road authority."

RESOLUTIONS to be proposed by Mr. *Sclater-Booth*, read, as follows:—

"1. That Provisional Orders be substituted for Board of Trade certificates.

"1*a*. That the preliminary inquiry be permissive.

"2. That the metropolis be excluded from the operation of the Act.

"3. That Clause 5 be omitted.

"4. That local authorities constructing Tramways be prohibited from giving any monopoly or exclusive privilege to private parties.

"5. That a *locus standi* be reserved for the owners and occupiers of property, fronting a street or road through which it is proposed to construct a Tramway, to appear both before referee, and afterwards before Parliament."

RESOLUTIONS to be proposed by Mr. *Dent*, read, as follows:—

"1. That the form of proceeding by Provisional Order be substituted for the certificate in the Bill.

"2. That any consent of the ratepayers in boroughs governed by a municipal council, beyond the decision of the council, is unnecessary.

"3. When local authority has obtained power to make Tramways, they should not be allowed to make an absolute sale of the concession.

"4. Parties who have neglected to appear before the referee appointed to make local inquiry under this Act, shall not have the right of appearing before Select Committee.

"5. That the local authority should have control over the whole road, including the Tramway, and that they should be liable for the repair at the expense of the Company.

"6. That power should be given to local authorities to make bye-laws for regulation of traffic, and for licensing drivers and conductors of vehicles.

"7. That clauses are necessary to give ready powers of removal of Tramways found injurious or disused.

"8. Clauses should be introduced to enable Board of Trade, or some other authority, to settle differences of local authorities who may not concur in making Tramways through their districts.

"9. Provision should be made for residents in streets being heard against lines proposed to run through their streets."

RESOLUTIONS to be proposed by Mr. *Cawley*, read as follows:—

"1. That Provisional Orders be adopted, to be confirmed by Act of Parliament, as under Local Government Acts, with similar provisions as to reference to Select Committee, in case any order be petitioned against.

"2. That local authorities may be Promoters.

"3. That where intended Tramway will pass into the districts of two local authorities, either of such local authorities may apply for Provisional Order.

"4. That where such Tramway will pass into or through more than two districts, Promoters may apply, with consent of district in which termini are situated.

> "*Note.*—It is doubtful whether consent of road authorities, where other than local authority, should be necessary, as it must be borne in mind that in the case of turnpike roads the inhabitants of the parish or township alone are indictable for non-repair, and not the trustees.

"5. That ample public notice be given of intended application to Board of Trade, and time stated within which objections must be lodged.

"6. That Board of Trade may hear objections, or receive objections in writing, and may, if they think fit, direct local inquiry, and on receipt of their officers' report, may make Provisional Order.

"7. That previous order shall prescribe the position of Tramway as to line and level, either by road or reference to plan and section.

"The kind of rail or tram to be used.

"The gauge at which they are to be laid.

"The tolls to be paid for the use of the Tramway.

"The carriages to be used thereon.

"8. That the Promoters shall be responsible to maintain in good order, to satisfaction of local or road authority, the space occupied by Tramway, and 18 inches outside each rail; this not to relieve local or road authority from the responsibility of maintaining road, but they to have power to enforce performance of obligation against Promoters.

"9. That when Promoters are others than local authority, security for execution of works to be given by a deposit, to be retained until completion.

"10. That there be no power of sale except to local authority, and then only of Tramway at the then value, with per cent. added.

"11. That if Tramway made by, or be the property of local authority, they may lease tolls, but not the exclusive use of the Tramway.

"If property of parties other than local authority, such parties not to have exclusive use, but others may use it in paying tolls, and conforming to bye-laws.

"12. That power be given to local authority to raise money for undertaking.

"Tolls to go to paying interest on borrowed money, and providing sinking fund for repayment of capital.

"13. That local authority have power to make bye-laws for regulating the working of Tramways, and the ordinary traffic of all roads or streets along which Tramways are laid.

"Drivers and conductors of omnibuses on Tramways to be licensed by local authorities as cab-drivers, &c.

"Bye laws to be approved by (Secretary of State) or (Board of Trade).

"*Note.*—In Municipal Acts and Metropolitan Tramways Act, the Secretary of State is named."

Motion made, and Question, That the Resolutions to be proposed by the Chairman be now considered—put, and *agreed to.*

Resolved, That Provisional Orders be substituted for certificates—(*The Chairman*).

Resolved, That the consent of ratepayers be not required in boroughs governed by a municipal council; that such decision should be given at a special meeting at which two-thirds of the Members shall be present—(*Mr. Dent*).

Resolved, That local inquiries by the Referee of the Board of Trade be at the discretion of the Board—(*The Chairman*).

Resolved, That the Board of Trade after considering objections, shall have power to proceed with a Provisional Order, notwithstanding that certain of the local or road authorities refuse their consent, and shall report to Parliament their reasons for the same—(*The Chairman*).

Motion made, and Question proposed, That the powers of sale conferred upon promoters by Clause 5, be limited to local authorities—(*The Chairman*).

[Adjourned till Monday next, at One o'clock.

Monday, 11*th April* 1870.

MEMBERS PRESENT:

Mr. Shaw Lefevre, in the Chair.

Colonel Wilson Patten.	Mr. Sclater-Booth.
Mr. Loch.	Mr. Dent.
Mr. Dalglish.	Lord George Hamilton.

Question again proposed, That the powers of sale conferred upon Promoters by Clause 5 be limited to local authorities—(*The Chairman*).—Motion, by leave, *withdrawn.*

Resolved, That Clause 5 of the Bill conferring powers of sale upon Promoters, be omitted—(*The Chairman*).

Resolved, That the Provisional Orders shall specify the nature of traffic for which the Tramways are sanctioned—(*The Chairman*).

Resolved, That the maximum tolls to be inserted in the Provisional Orders—(*The Chairman*).

Motion made, and Question proposed, That the Metropolitan Board be the local authority for the Metropolis (except the City), but the consent of the Vestries be necessary as road authorities, subject to Resolution 4—(*The Chairman*).—Amendment proposed, to leave out from the word "That" to the end of the Question, in order to add the words "the Metropolis be excluded from the operation of the Act"—(Mr. *Sclater-Booth*),—instead thereof.—Question put, That the words proposed to be left out stand part of the Question.—The Committee divided:

Ayes, 3.	Noes, 3.
Colonel Wilson Patten.	Mr. Sclater-Booth.
Mr. Loch.	Mr. Dent.
Mr. Dalglish.	Lord George Hamilton.

Whereupon the Chairman declared himself with the Ayes.—Main Question put, and *agreed to.*

Motion made, and Question put, That in the case of the Metropolis the power of the local authority be limited to the second alternative in Clause 4 of the Bill—(Mr. *Sclater-Booth*).—The Committee divided:

Ayes, 3.	Noes, 3.
Mr. Sclater-Booth.	Colonel Wilson Patten.
Mr. Dent.	Lord George Hamilton.
Mr. Loch.	Mr. Dalglish.

Whereupon the Chairman declared himself with the Noes.

Resolved, That a *locus standi* be reserved for the owners and occupiers of property fronting a street or road through which it is proposed to construct a Tramway, to appear both before referee and afterwards before Parliament—(Mr. *Sclater-Booth*).

Resolved, That power be given to local authorities to make bye-laws for regulation of traffic, and for licensing drivers and conductors of vehicles—(Mr. *Dent*).

Resolved, That power be given to local authorities to remove Tramways found injurious or disused—(Mr. *Dent*).

Motion made, and Question, That the rules for carrying the Act into effect be inserted in the Schedule to the Act—(Mr. *Dent*)—put, and *negatived.*

Resolved, That the Bill be extended to Scotland—(*The Chairman*).

[Adjourned till Monday, 25th April, at Two o'clock.

Monday, 25*th April* 1870.

MEMBERS PRESENT:

Mr. Shaw Lefevre, in the Chair.

Mr. Loch.	Mr. Dent.
Mr. Sclater-Booth.	Lord George Hamilton.
Mr. Dalglish.	

Preamble postponed.

The Committee proceeded to consider the Clauses.

Several Clauses amended, and *agreed to.*

[Adjourned till Thursday next, at Twelve o'clock.

Thursday, 28*th April* 1870.

MEMBERS PRESENT:

Mr. Shaw Lefevre, in the Chair.

Mr. Dalglish.	Lord George Hamilton.
Mr. Dent.	Mr. Hibbert.
Mr. Cawley.	

Clauses considered, amended, and *agreed to.*

[Adjourned till To-morrow, at Twelve o'clock.

Friday, 29*th April* 1870.

MEMBERS PRESENT:

Mr. Shaw Lefevre, in the Chair.

Mr. Dalglish.	Lord George Hamilton.
Mr. Dent.	Mr. Hibbert.
Mr. Loch.	Mr. Cawley.
Mr. Sclater-Booth.	

Clauses further considered, amended, and *agreed to.*

New Clauses *added.*

Schedules considered, amended, and *agreed to.*

Preamble *agreed to.*

Ordered, to report the Bill, as amended, together with the Minutes of Evidence, to The House.

MINUTES OF EVIDENCE.

LIST OF WITNESSES.

Tuesday, 29*th March* 1870.

	PAGE
Mr. Thomas Coates	1
Mr. John Part	19

Wednesday, 30*th March* 1870.

Mr. John Lingard Vaughan	28
Sir Joseph Heron	29. 50
Mr. E. J. Hayes	50
Mr. Joseph Rayner	51

Thursday, 31*st March* 1870.

Mr. Alexander Monro	57
Mr. Andrew Hoggan	62
Mr. Thomas Coates	70
Mr. Walpole Eyre Greenwell	77
Mr. C. S. Grundy	80

Monday, 4*th April* 1870.

Mr. Joseph Rayner	82
Mr. John Layton	82
Mr. John Morris	83
Mr. George Hopkins	107
Mr. Benjamin Boothroyd	109
Mr. Barron Emmanuel	111

MINUTES OF EVIDENCE.

Tuesday, 29th March 1870.

MEMBERS PRESENT:

Mr. Ayrton.	Mr. Hibbert.
Mr. Cawley.	Mr. Shaw Lefevre.
Mr. Dalglish.	Mr. Loch.
Mr. Dent.	Mr. Sclater-Booth.
Lord George Hamilton.	Colonel Wilson Patten.

G. J. S. LEFEVRE, Esq., IN THE CHAIR.

Mr. *Thomas Coates*, called in; and Examined by Mr. *Round*.

Mr. *T. Coates.*

29 March 1870.

1. I BELIEVE this Bill, as brought in in the House, was placed in your hands by certain clients, amongst them the Railway Companies whom I represent, for the purpose of going through it, and seeing whether it was a workable Bill in the first instance?—It was.

2. The Bill as drawn involves a very large and important principle, does it not?—Yes, it does.

3. To which principle, I believe, you do not accede?—Those who instruct me do not accede to that principle.

4. It is with a view of laying down in this Bill a principle, which you believe will commend itself to this Committee, that you have gone through it carefully and altered it?—Yes.

5. May I ask you whether the alterations which you propose in the Bill range themselves principally under four marked and distinct heads?—They do.

6. Is the guiding principle throughout the substitution of the principle which is recognised in the Piers and Harbours Act of 1861, for that of a certificate as proposed by the Bill?—That is one.

7. Is another of the principles which you propose, that the proceedings under the Bill should be defined and settled beforehand, and not left to be decided upon afterwards?—That is one of the objects that I have in view.

8. Is a third object that of giving every possible publicity to the proceedings so as to bring them to the knowledge of every party affected by it?—Yes; I thought that the arrangement proposed by the Bill did not give an opportunity to parties to be heard, and I have amended the Bill to the best of my ability in that respect.

9. Then, may I add a fourth power which will comprise them, which is, whereas the Bill gives the certificate an absolute statutory effect, you by the Bill, as you propose to amend it, give an appeal to Parliament?—In short, that is involved in the substitution of a provisional order for a certificate.

10. Those are four points to which you have principally had your attention drawn, and they have guided you throughout the alterations you have made in this Bill?—Just so.

11. Now, I will take you through it, and you shall explain your alterations to the Committee; what is the first alteration that you propose?—In the first clause I propose no alteration nor in the second clause. In the third clause, at

Mr. *T. Coates.*
29 March 1870.

the end of the page in the original Bill, it runs thus: "The terms prescribed shall mean prescribed by any rules made in pursuance of this Act." I have altered that: "The term prescribed shall mean prescribed by the regulations contained in the second schedule to this Act." Then, in the subsequent part of the Act rules are to be made by the Board of Trade, which they may from time to time vary or annul as they think fit, and those are the rules which are implied by the word "prescribed."

12. Mr. *Loch.*] Where are you now referring to?—If you will be kind enough to look at page 21, Clause 53, you will see these words: "The Board of Trade may from time to time make, and when made, may rescind, annul, or add to rules with respect to the following matters" (perhaps it is worth while to read this clause): "The proceedings to be had before the Board under this Act. 2. The forms of certificates under this Act, and directions as to the mode in which this Act is to be carried into execution. 3. The mode of holding meetings for the purpose of obtaining the consent of owners and ratepayers to applications for a certificate under this Act. 4. The payment of money or lodgment of securities by way of deposits; the repayment and forfeiture of the same, the investment of the same, the amount and payment of interest or dividends from time to time accruing due on such deposits. 5. The services of notices, the lodgment of documents, and any other matter by this Act directed to be prescribed. 6. As to any other matter or thing, whether similar or not to those above mentioned, in respect of which it may be expedient to make rules for the purpose of carrying this Act into execution. Any rules made in pursuance of this section shall be deemed to be within the powers conferred by this Act, and shall be of the same force as if enacted in this Act, and shall be judicially noticed. Any rules made in pursuance of this section shall be laid before Parliament within three weeks after they are made, if Parliament be then sitting, and if Parliament be not then sitting, within three weeks after the beginning of the then next Session of Parliament." Practically I know that this is a very inconvenient process. The practitioner seeking to get one of these provisional orders or certificates does not know by what rules he is to abide, but must go to the Board of Trade to know what the rules are at that moment applicable to this purpose; whereas, supposing these rules are, which they may perfectly well be, now prepared under the direction of the Board of Trade, they may form part of the Act or be scheduled to the Act, as in certain analogous cases they do form part of the Acts. Therefore the correction that I make here is this: "The term 'prescribed' shall mean prescribed by the regulations contained in the second schedule to this Act."

13. In what analogous cases is that course followed?—In the Railways Construction Facilities Act; I am pretty nearly sure that the regulations are all prescribed in a schedule to that Act.

14. Mr. *Sclater-Booth.*] I do not see a schedule proposed to this Act?—No; I do not presume to create the regulations which the Board of Trade should prescribe; all I desire is that the Board of Trade before they proceed with the Bill shall make those regulations.

15. Mr. *Round.*] So that they shall be made beforehand in order that those interested may know what they are?—In order that the persons interested may know what the Bill consists of.

16. Mr. *Dent.*] You do not provide for any variation of circumstances which may arise?—They are not likely to arise within 12 months; at all events there will be the experience of 12 months. If a variation of circumstances does arise, nothing can be more easy than in one comprehensive Act or Provisional Order, to do as has been done in previous Acts, make some alteration to the regulations by the Board of Trade; at all events, then the persons interested (and I need scarcely say that they represent very large interests) will have statutory notice of the laws by which they are bound.

17. But cannot a comprehensive Act be passed which would contain clauses affecting the regulations?—I do not mean to say that it is perfectly right that it should be done, but boards of health over and over again have got powers confirmed by Provisional Orders. I do not think that is a good process, but it has been done over and over again.

18. Mr. *Cawley.*] I understand you to mean that all regulations which will be general in their effect, should be prescribed by the Act?—Just so.

19. And if there are any others which are special, they should be excepted, but

but all which have general application should be in the Act itself?—That is a very vague word; I mean all that is fundamental, and which will apply to every case, ought to form part of the Statute.

20. Mr. *Round.*] Having prescribed so far as you can with certainty, would there be any objection to give the Board of Trade a discretionary power to make from time to time such additional regulations as they may think proper?—Anything which goes to the rights of parties (and amongst those rights is the right to be heard), I think the Board of Trade ought to have no discretionary power at all.

21. That should be one of the fixed rules from which there should be no departure?—Yes.

22. Will you now proceed to your next alteration?—In the next clause is involved a considerable principle. I strike out the word "certificate," and put in the words "provisional order," and, of course, all the subsequent clauses will be amended in that respect. I do not know whether the Committee desire to hear me upon the expediency of that alteration; but the Bill is founded on this hypothesis, that there shall be an inquiry before a referee, which I take to be always a local inquiry; that the referee shall hear, according to the Bill, such parties (which is somewhat indefinite) whom he shall hear, but he may call before him such parties as he thinks fit, and then he is to report to the Board of Trade; and, according to the Bill as it is now drawn, the Board of Trade has absolute authority of hearing, or not hearing the parties, and to issue a certificate that the tramway may be made; that certificate is to lay upon the Table of both Houses of Parliament, and, if neither House objects to the certificate, then the certificate has the force of law. The result is this (and when I talk about the result, I hope the Committee will understand that, according to my experience, neither House of Parliament ever objects to such a certificate; it does not move in the matter at all), that the certificate has the force of law. That seems to me unfair to all parties interested, and the alterations that I have taken the liberty of making in this Bill go first to this: that the inquiry shall be made under closer restrictions than the Bill has provided; next, the referree having made his report to the Board of Trade, the Board of Trade shall make what is called a Provisional Order, a thing known in all the Public Health Acts, and known likewise in certain of the proceedings of the Board of Trade; shall come to Parliament for a confirmation of those Provisional Orders according to the Harbours and Piers Act, and according to the Public Health Acts. Likewise any person aggrieved by those Provisional Orders should have a right to petition against them as they would against a Private Bill. I may go on to say that the practical result is this: a Provisional Order is very seldom objected to, although sometimes it is; and, according to my experience, although objections to a Provisional Order are rare, yet when they have been made they have usually been successful. It seems to me that in these great interests Parliament ought to have a voice, and persons ought to have a right to appeal to Parliament against any grievance that they may have by the proposed Provisional Orders. The Bill is amended throughout upon this hypothesis, namely, that the ultimate appeal should be to Parliament. If any persons think fit to appeal against a Provisional Order, they should be at liberty to appeal to Parliament.

23. The section seems to be this, that under a Provisional Order one has no statutory effect until after the other practically may be said to have a statutory effect?—Just so; that is the distinction. The 5th clause is this: "The Promoters empowered by any certificate under this Act to make a tramway in any district may, where they are the local authority, and where they are not any such authority, they may, with the consent of the local authority, within two years from the date of the certificate, unless a shorter period is prescribed therein, sell, transfer, and assign to any corporation, company, persons or person, the right to make such tramway, and all other rights, powers, and authorities given by the certificate; and thereupon all such rights, powers, and authorities shall be transferred to, vested in, and may be exercised by such corporation, company, persons or person, as if they had been the Promoters specified in such certificate; and they shall for the purposes of this Act be deemed to be the Promoters: Provided always, that such sale shall not be made without the consent, in writing, of the Board of Trade." The railway companies object to that (and, since I happen to be here,

Mr. *T. Coates.*

29 March 1870.

I may as well state that this is objected to in other quarters), because, in principle, it is an utterly mischievous provision. It will necessarily almost have this effect, or, if it has not, it will be what is equally bad, suspected of having this effect: A. gets a Provisional Order, and what is in this Act called a certificate, from the Board of Trade to make a tramway, which becomes in his hand a marketable commodity; he may go, within two years, and sell it. Fortunately, in this country such a thing is not known, but abroad it is perfectly well known, that persons who are suspected of having influence with the department in question get a concession, as it is there called; whether you call it a concession or a certificate is a matter of perfect indifference; having that influence, and having obtained that concession, they sell the concession to somebody else at a profit. What justification there is for the clause I cannot very easily conceive. I do not know why this clause was put in; that it is mischievous I am perfectly satisfied of; that it may lead to abuse is manifest; that it will always be suspected of abuse is still more manifest. Therefore, in the interest of the Railway Companies who have petitioned against the Bill, and in the interests of certain other clients, who have also petitioned against it, I have taken the liberty of suggesting that this 5th clause should be struck out.

23*. Is it not also at variance with the principle that is laid down in the 157th Order of this House, which says that no power of purchase, sale, lease, or amalgamation shall be contained in any Bill for the construction of a railway?—Quite so.

24. Prior to this Standing Order it was not unusual to introduce into a Bill authorising the construction of a railway power to lease it?—Quite so, and to sell it.

25. That was not found to work well?—It was found rife with mischief.

26. And it was to prevent that mischief that this Standing Order was specially passed?—It was.

27. Is not the provision in the Bill to which you are referring precisely analagous to such cases as are provided for by this Standing Order?—Yes, it is; the purchaser is unknown, his competence is unknown, and whereas the power, if vested in the hands to whom it was originally granted, might have been relied on with security. I do not mean pecuniary security, but the safety of all parties concerned; yet during two years it may not be known to whom it may be given, and if it be given it is highly objectionable to all those who are affected by the tramway.

28. To whom *non constat* it would not have been granted if they had been the first Promoters?—No, that is, I think, by the two last lines of the clause somewhat secured. I now proceed to touch upon a very delicate matter. The last two lines of the clause say, "Provided always that such sale shall not be made without the consent in writing of the Board of Trade." I hope nothing I may say will be deemed to be disrespectful, because I have no other desire than to make the Bill as good as possible; those two last lines rather aggravate the matter. Supposing it to be suspected, which will ultimately be suspected, that the Board of Trade, which has originally granted the certificate or granted the concession, for so I call it, is to have a voice likewise in the transfer of the concession, it seems to me so far from mitigating the evil to aggravate the evil, in one point of view, at all events.

29. Colonel *Wilson Patten.*] You are aware, I presume, that the object of the Standing Order which you have referred to, was to prevent a monopoly of railways, was it not?—So far as I recollect that was so. I recollect the passing of that Standing Order, and what I understood by that Standing Order was this, at any rate it had this effect, adventurers got Acts of Parliament which were mischievous, perhaps, to existing companies; they forthwith carried them to the company and said, "Here are these powers; we will execute them unless you give us so many thousand pounds." That was one of the evils intended to be prevented.

30. Was not the main object to obviate the evil that was found to exist before the passing of that Standing Order, that companies having the power of sale were selling themselves to railway companies, and thereby creating a monopoly against the public interests?—No, I think not; this Standing Order relates only to the inception of the Bill incorporating the company. The Act incorporating the company prevents the sales, under the power of that Act, to any other company; but that would not have had the effect which, I think, you are touching upon.

upon. In short, the parties representing the company would have come themselves for such powers.

31. Did not Parliament, in passing that Standing Order, determine to reserve to itself the power of saying whether a company should be amalgamated with another company or not?—Certainly.

32. Mr. *Round.*] Apart from the evil which you have pointed out, is there any advantage in giving the Board of Trade these powers?—I cannot understand the advantage of granting them these powers at all. I can see how largely they may be abused; but I cannot understand that persons obtaining these concessions should, within two years, desire to divest themselves of them, excepting for a profit, and that, to my mind, is an illegitimate source of profit.

33. You see no advantage to counterbalance the actual evil which you anticipate will follow upon it?—None.

34. Now I think we may turn to page 3. In Clause 7 you strike out from line 15 to line 21?—Yes. The first part of Clause 7 is as follows: "When a tramway has been completed under the authority of a certificate under this Act by any local authority, such authority may, with the consent of the Board of Trade, and subject to the provisions of this Act, by lease, demise to any person, persons, corporation, or company the right of user by such person, persons, corporation, or company of the tramway, and of demanding and taking in respect of the same the tolls and charges authorised." Now, what is felt concerning this clause is this: the local authority abstractedly, supposing they had the money, would, I take it, undoubtedly be the proper persons to lay down these tramways themselves, the custody of the streets being in them, indeed what is termed the property in the streets being in them; therefore, unless for the sake of obtaining capital, that is to say, saving the money of the ratepayers, there can be no apology for their divesting themselves of any authority, or any property in the streets, but it is their duty, consistently with the state of their funds, to make the streets as convenient as possible to the public using them; if, therefore, they undertake to make a tramway, there seems to be no apology for their letting that tramway to somebody else to work, that is to say, to spend the money of the ratepayers, to spend capital in laying down the tramway, and then to get a rent out of the use of the streets which the ratepayers have already formed for themselves. If they are the promoters, as it is technically called here, and sell the property, then they should make the tramway for the benefit of the public, whom they represent, they having the streets themselves. As it appears to those who instruct me, they would be violating their duty if unnecessarily they part with their control over the streets; they may necessarily do it, if they have not got the funds to make the tramway, then they may hand the streets over to some one else, who has the funds for a limited time, but to abandon the making of the tramway, or leaving the absolute use of the streets to somebody else, seems to me to be a violation of principle.

35. The power of leasing is not to arise until the Board of Health have completed the tramway, but the ratepayers would, after all, I presume, be mainly interested in the work of it?—Undoubtedly.

36. If it is worked, the Board of Health would have no other interest to represent but that of the ratepayers?—No.

37. Then I understand you to say, that if the ratepayers have a certain guarantee, that it will be properly worked, it will not be an inconvenience to them?—Just so.

38. But whereas if it were handed over to A., B., and C., as a commercial speculation, there would not be the same principle applied to them in the working of it, as there would be to the local board of health?—No; it has this disadvantage likewise, that it makes the local authority speculators in these tramways, that is to say, by investing capital raised out of rates, or borrowed on the security of rates, in the construction of tramways. That is a speculation in tramways which, it appears to me, a local authority ought never to be permitted to embark in.

39. That is going into a speculation as distinct from providing tramways for their legitimate purpose?—Yes.

40. Mr. *Dent.*] Surely if the local authority have made a line, and have laid it down, supposing they have not capital enough, or do not think it right to raise capital for carriages and rolling stock, you do not see any objection to their granting a lease to a company to work it; could they not keep the company in

Mr. *T. Coates.*

29 March 1870.

better order, and have the traffic better regulated by so doing, than they could by leaving it open to the public to use it with the power of charging and taking tolls?—I admit that leaving it open to be used is a separate question; but the capital required for working cannot be very considerable; it must be nothing in comparison with the original capital required for the construction. The capital required for the construction will, according to the supposition, be found by the local authority, and after having spent their money upon the construction, then they enter into the speculation of letting the tramway upon lease, and part with the control of the streets, not because they have not capital enough to make the tramway, but simply because they have not capital enough to provide horses and carriages.

41. It seems to me, that it might be perfectly legitimate for the public authority to make a tramway in the direction that they thought for the benefit of the public, and still keep the control of the streets, but it may be quite another question, whether they should be carriers of passengers, and compete with the omnibus traffic, or whether that would not be much better done by a public company?—Yes, I admit that is an important question. The question does, to my mind, consist mainly in this, whether they should be allowed to be speculators by having omnibuses, carriages, and so on.

42. Mr. *Hibbert.*] Would not your objection, to some extent, cease, if it were done with the consent of the ratepayers?—It might.

43. Mr. *Cawley.*] There are two points to be considered: one is, whether only special carriages can go upon the tramway, and the other is, with reference to leaving the tramway open to only a certain portion of the public, who may choose to use a particular kind of carriage; I wish to know whether you mean, that it really should be worked entirely by the local authority who are to provide carriages, or whether you mean that it should not be a simple and exclusive use by one particular party, but that anybody providing the carriages, whether under lease or not, should be at liberty to work it?—Quite so; I am of opinion that the local authority should grant licenses under some such control as the Bill may provide, or the local authorities may themselves provide, for the use of their own local conveyances.

44. You do not wish the Committee to understand, that, in your opinion, the preferable course would be that the local authorities should become the sole owners of the carriages to be worked upon it?—No, not the sole owners of the carriages, undoubtedly, but that they should be the sole owners of the tramways, if they have capital enough to construct a tramway; but, with respect to the carriages, that the tramways should be open to everybody, in conformity with the regulations.

45. Lord *George Hamilton.*] Do you object to the principle contained in this clause, of giving the local authority the power of leasing?—Just so.

46. In objecting to that principle do you consider that in this clause the interests of the ratepayers are not sufficiently protected to prevent the local authority, whoever they may be, from speculating?—I think to. I think that the one is in some sort a result of the other. I think that the local authority having, with the consent of the ratepayers, which is provided for, constructed the tramway, that then the leasing of it to an individual, which is giving the benefit of it to an individual, is, first of all, in principle inexpedient, and, next, that there is not a sufficient security, nor is there, in this clause, any security to the ratepayers themselves.

47. Mr. *Loch.*] Then you do not object to the construction originally by the local authority of the tramway, but that having constructed it, they should lease it to some particular company or individual?—That is my objection.

48. If they were to be thrown open to public use, you think that might be a very legitimate operation?—Yes, that is to say, whereas paving is the best thing we have got at yet for streets, if tramways are a better thing for streets, then let the local authority construct tramways, and open them for the use of the public.

49. Mr. *Sclater-Booth.*] Do you think it is practically inconvenient with a flange-wheel to be made use by the whole of the public?—Even the Bill contemplates that there shall be licenses in certain cases of misfeasance of the proprietors or lessees to any body, under certain circumstances, to use the tramways.

50. That would be in lieu of the promoters, I presume?—In place of the promoters. Then there may be any number of them. It is not that there is to be only

only one license, but, according to the arrangement of the Bill, there may be as many licenses as the Board of Trade think fit to grant.

51. Anybody working it except by license implies that the party granting the license will secure what is practically a monopoly?—I very much doubt whether, supposing these things prevail, that will be so. For instance, at Manchester, which is represented here, my belief is that there will be numbers of persons, unless there be a statutory monopoly, who will use these tramways upon paying tolls for them.

52. Do you consider it consistent with public safety that there should be a power in the ratepayers to make use of tramways, irrespective of any system of licensing, which should secure due order and regularity in the passage of the cars?—It should be worked by horse power. Whether they can be worked at all in crowded towns is a question to which I am not in anywise pledged; my own private conviction is, that they cannot be made to work; but I go upon the hypothesis that there will be tramways even, for instance, in Manchester and in London. My belief is, that if there are such tramways they will be worked, and must be worked, in certain places, especially for heavy traffic, and not for passenger traffic.

53. Are you not aware that the Tramway Bills which have already passed through Parliament have contemplated the substitution of trams for omnibuses, but have not contemplated making use of the rails for the passage of coals or heavy traffic?—I am perfectly aware of that.

54. Your intention in making this suggestion, with regard to the local authorities allowing a tramway to be for the use of the public, is merely to imply that the tramway is to be used for the carriage of coals, goods, and so on?—Yes.

55. That is a different sort of tramway from that which any parties have yet been found to promote in Parliament?—You will observe that I have adopted this from the Bill; it is not my suggestion, it is in the Bill. I have only struck out the power of leasing; the rest is in the Bill.

56. That is a very proper answer for you to make, but might it not be said that it will be a new kind of proposal?—Perfectly; but it is a thing which the Bill suggests, and not I.

57. It does not seem to me how you can complete your plan for a re-casting of the Bill before the Committee, unless you provide a schedule which you would suggest in lieu of Clause 53, which you propose to strike out?—I would rather leave it to the learned Counsel who drew the Bill to prepare it, but I could do it.

58. You have made no difficulty in striking out Clause 53?—I have had no difficulty in striking out that which says that regulations shall, at some future time, be made, they being now unknown. All I have done in striking it out is to say that they shall be prescribed.

59. Supposing, after you have left the box, the learned Counsel who has prepared this Bill should propose a schedule which in your opinion is unworkable and unsatisfactory, are the Committee to go through the whole of this inquiry again?—For my own sake, as well as for the sake of the Committee, I trust that this will be a closing examination on my part.

60. *Chairman.*] I understand you do not object to the local authorities making tramways?—It is a thing beyond my sphere.

61. You have not struck out that portion of the Bill in your proposals?—No; I have dealt with the Bill on this hypothesis, that there ought to be tramways; that I have done in deference to the will of the Committee. Then, with a view to the security of my clients, I have made certain amendments founded on that hypothesis.

62. Accepting as a basis that the local authorities will make tramways in certain cases?—That the local authorities, or the promoters, or somebody or other shall make them, but that is a matter beyond my sphere.

63. Having made them, that they shall have the right of charging toll to the persons using them?—Until a certain time; until they they have paid off their money.

64. Until they have paid off their money they are to be at liberty to charge toll to the persons using them?—Yes; in short, I find that in the Bill. The companies who n I have the honour to represent, deal with that as a thing concluded; they do not deal with the propriety of the tramway; with what is

Mr. *T. Coates.*

29 March 1870.

vaguely and loosely called the principle of the tramway, they do not deal with that at all; that I understand they assume.

65. What you object to is this, that a local authority having made a tramway, that it should then be handed over by lease or otherwise to any private company to use exclusively?—Yes.

66. Have you taken into consideration Clause 25, which gives power to the Board of Trade, even when a lease or concession is made to any private company, still under certain circumstances to provide that third parties shall use the tramway?—Clause 25 is the clause with respect to leasing, that I have not even touched.

67. Does not proposing that clause somewhat mitigate your objection to the local authority making leases of tramways when once they have made them?—No. As I read the 25th clause, it provides for some misfeasance on the part of the promoters or the lessees; that is the object of the 25th clause. I think there ought to be a remedy, and that somebody or other ought equally to be able to make use of this undertaking which, according to the 25th clause, will have been leased.

68. I only want to get at your objection to the Bill as it stands; do you object to the local authority having made the tramway themselves, parting with the control of it?—Yes.

69. Mr. *Hibbert.*] Is not the real ground of your objection, that the local authority have made a tramway with the consent of the ratepayers for one purpose, should under this clause have power to lease it without the consent of the ratepayers for another purpose?—That is one of our objections to the Bill.

70. Mr. *Round.*] We are indifferent as to whether the local board may do it or not?—Yes.

71. Then we will proceed to the next; I think, in Clause 8, the alterations are merely of a formal character?—Yes.

72. But for Clause 9 you propose to substitute 8A, and 8B?—The alterations in Clause 8 all go to having regulations prescribed by the Act.

73. Mr. *Loch.*] You strike out these words in Clause 8, line 10, "and to such extent as shall seem to them sufficient"?—Yes; there is an important alteration in this clause. They may apply to the Board of Trade for a Provisional Order, and then they shall within the prescribed time in the prescribed manner, that is, in the manner prescribed by the Bill, deposit at the prescribed place maps, plans, sections, and so forth. And then they shall publish a notice of the application in the prescribed manner. That, I presume, will be in the schedule of the Bill. "And thereupon the Board of Trade shall" (this is an important alteration); in the text it stood thus: "in such manner and to such extent as shall seem to them sufficient to inquire whether the promoters have duly complied with the requirements of the Act." That, I beg leave humbly to say, seems certainly a loose method of dealing with very great interests, and what I propose to insert in substitution there is this: "And thereupon the Board of Trade shall, in the prescribed manner, inquire whether the promoters have duly complied with the requirements of this Act," and so on. The Board of Trade shall state in a schedule to the Act what the conditions they require are.

74. Mr. *Round.*] Let me ask you, with reference to that, whether that is one of the main objections you make with regard to the rules and regulations, that there is a large discretion proposed by the Bill to be conferred upon the Board of Trade; that they are to be the judges as to the manner and extent to which the inquiry shall extend?—Yes.

75. You omit them altogether?—Yes.

76. When we come to consider Clause 52, you will explain to the Committee what you propose instead, by which their discretion is limited and their sphere of inquiry enlarged; is not that so?—Yes

77. What is the next alteration to which you propose to refer?—By Clause 9, the Board of Trade are to settle the certificates which are to be laid before both Houses of Parliament.

78. You propose that the whole of the clause shall come out?—Yes. This is Clause 9: "The Board of Trade shall lay any draft certificate settled by them before both Houses of Parliament within seven days after the same is settled, if Parliament is then sitting, and, if not, then within seven days after the next meeting of Parliament, but not later in any year than the 1st of June. If either House of Parliament, within six weeks after such draft certificate is laid before

that

that House, resolves that such certificate ought not to be made, the same shall not be further proceeded with. If neither House of Parliament, within the period aforesaid, thinks fit to resolve that the certificate ought not to be made, then the Board of Trade may make and issue a certificate in conformity with such draft." That I propose to show you is a clause which is contained in the Harbours, Docks, and Piers Act.

79. *Chairman.*] With the view of substituting the Provisional Order system for the Certificate system?—Yes; the Committee may take it for granted that I have copied the clauses right.

80. I think we need not labour those points; what we understand is, that what you propose to substitute for the Certificate system is the Provisional Order system, and that you have inserted all the amendments which you have considered necessary for that purpose?—Yes. In Clause 10 that is the only alteration; in Clause 11 there is no alteration; in Clause 12 what I have struck out will be dependent upon other things. Then, in Clause 13 there is the same thing, namely, that the Certificate is amended by substituting the words, "Provisional Order." Then the power to correct error in the 14th clause is left untouched. Not in the interests of those whom I represent, but in the interests of the promoters of the Bill, may I point out a deficiency in the 15th clause? It says, "Where the local authority in any district are the Promoters of any tramway authorised by Certificate under this Act they shall pay all expenses incurred by them in carrying the purposes of this Provisional Order" (as I have altered it) "out of the local rate." It ought to go a little further; it ought to say, "in applying for and carrying into effect."

81. Mr. *Round.*] I see you prescribe a uniform gauge of 4 feet 8½ inches?—I believe that the Railway Company are very desirous that this amendment should be made. I am perfectly well aware, and indeed I know an instance where it is about to happen, that carriages may be so constructed for a railway as that they shall carry on passengers to particular tramways without getting out of the railway carriages; there is a Bill for that purpose before Parliament. Anybody knowing the Isle of Wight is aware that the railway is about a mile from the southern end of Ryde Pier. The proposal is to have a tramway working between those two points by horse power, for the security of the streets of Ryde, but that the carriages of the Isle of Wight Railway shall go along the tramway right from the end of the pier.

82. *Chairman.*] You think the interests of the railway companies is involved in having an identity of gauge?—Yes.

83. Mr. *Sclater-Booth.*] How many feet wide were the tramways which were sanctioned last year?—I am told that the width of them is the railway narrow gauge.

84. Mr. *Cawley.*] Would not that be met by a Provisional Order that the tramway may be worked in connection with the railway?—It might be.

85. Mr. *Round.*] Is not the very object of the amendment, which you propose to supersede, the necessity for special legislation by a general Act?—Yes.

86. Mr. *Cawley.*] That raises another question as to whether or not the Bill should make it imperative to use a particular class of trams?—I believe there is scarcely anything in Part 2 which relates to the construction of the tramways from beginning to end. All those matters were carefully considered.

87. Mr. *Round.*] I think you may pass on to Clause 22, to which you have added Clause 22 A, with reference to railway bridges, in order to give railway companies additional protection; see what Clause 22 does provide for, and that will lead up to what 22 A provides?—The whole of this is with respect to the construction of railways. First of all it protects the street authorities; in short, these clauses are copied, I believe, precisely from other Acts. In Clause 20, there is a provision as to gas and water companies. Clause 21 is with reference to the protection of sewers. I need not trouble the Committee with all that; we think that there ought to be some such provision as this: "The Promoters shall not execute any works affecting any railway, or the bridges or works connected therewith, excepting under the superintendence and to the reasonable satisfaction of the engineer of such railway, and according to plans and specifications previously approved by him." Then there is a general Arbitration Clause.

88. *Chairman.*] That does not make their consent absolutely necessary, but merely that reasonable satisfaction shall be given?—Yes.

Mr. *T. Coates.*

29 March 1870.

89. Mr. *Round.*] Is it not precisely the clause which is inserted in a Bill where one railway company makes a junction with another, namely, that the junction is always made to the satisfaction of the engineer of the company with whose line the junction is proposed to be made?—Precisely so; then, as to the carriages, we have not presumed to touch those at all, nor the license to use carriages for the reasonable use of the tramways. There is a proviso to Clause 31, which, perhaps, I had better read: "The Promoters on the one hand, and any company or any corporation or person on the other hand, from time to time may, subject to the provisions of this Act, enter into and carry into effect contracts, agreements, and arrangements for or with reference to the use by such company, or by such corporation, or person, of their tramway" (this is a very important matter), "or any part thereof, and the tolls, rates, and charges to be paid by such company, corporation, or person to the Promoters for such use, and the terms and conditions of such user, and all incidental matters." The result of the clause, as it now stands, will be that a preference may be given to some particular body, or company, or person; for instance, there may be three railway companies in any particular part of a town, one of whom may enter into an agreement with the promoters to the exclusion of the other two, which would be a manifest abuse. For the purpose of preventing that it is proposed to insert this proviso, which I will take the liberty of reading, "Provided that the Promoters shall not by any such contract, agreement, or arrangement, give to the other contracting party any exclusive use of the tramway, but they shall make similar contracts and arrangements with any other company, corporations, or person in like circumstance requiring the same; and if any question arises between the Promoters and the party demanding that such similar contract should be made as to the duty of the Promoters to enter into the same, or as to the terms, pecuniary and otherwise, of such contract, such question shall be settled by an arbitrator to be agreed on between them, or in default of agreement to be nominated on the application of either party to the Board of Trade." I take it that there can be no objection to that.

90. That is providing, in fact, for equality of treatment?—Yes.

91. Will you allow me to go back for a moment to Clause 25, where, I think, in order to make the Bill in conformity with what you stated before, the words "or their lessees" should be struck out?—No; I would rather leave them in.

92. Very well, then, I suppose there is some object for them which I do not at present see; to this last substantive clause which you propose you attach considerable importance?—The clause, as to equality of treatment, I have no doubt, is a clause of the highest importance. Take Manchester, for instance. The promoters may come up to the stations of two or three separate and rival railway companies, and may give the priority of the use of their tramway, and may make a contract with one of those railway companies to the exclusion of the other two. That would be manifestly an abuse. All that the clause goes to is, that all parties similarly circumstanced shall have the same right to contract. For instance, if the North Western, the Midland, or the Lancashire and Yorkshire, all of whom are here represented, are in the same town, the promoters shall not be able to make an agreement with the Lancashire and Yorkshire to the exclusion of the London and North Western, for the use of their tramway; but that, if they make an agreement with the one, they shall make an agreement precisely, or as nearly as possible, of the same sort with the others, it being left to an arbitrator to determine what the particular terms shall be.

93. Mr. *Loch.*] Might not this difficulty naturally arise out of your suggestion; supposing you make the gauge of your tramway 4 feet 8½ inches to correspond with the gauge of the railway, so as to admit of the railway carriages running on the tramway if they communicate with a railway station, and you are bound to make an agreement with every railway company, you might convert that which was intended to be a tramway into a continuation of a railway system, to the exclusion of the omnibus traffic which was designed to be run upon the tramway?—According to my notion these tramways are not to interfere with the movement of the omnibuses.

94. But they are intended to promote that sort of omnibus traffic in the shape of omnibuses upon wheels calculated to be drawn by horses?—Yes.

95. Upon the basis of their carrying traffic along the streets?—Yes.

96. But supposing your suggestion should be carried into effect, and these tramway companies were bound to make arrangements with other railway companies

companies who choose to enter into an arrangement with them, they might, in fact, become a continuation of railways for the conveyance of railway traffic to the exclusion of the intended omnibus traffic?—I have supposed that they make one agreement.

97. Mr. *Sclater-Booth.*] It is to be adapted for the use of all traffic?—Yes.

98. Mr. *Round.*] There is no obligation upon them to make an agreement with everybody; it only says that, "where the power has been agreed to be exercised, it may be exercised, but not exclusively"?—Yes.

99. Mr. *Sclater-Booth.*] Would not your object be fairly obtained by a clause prohibiting the company from making any agreement of the kind in cases where a conflict would be likely to arise?—I have made as little alteration in the principle of the Bill as I can. I must leave that for the Committee to determine.

100. Mr. *Loch.*] Your amendment is to this effect, provided the promoters shall not, by any such contract, agreement, or arrangement, give to the other contracting party any exclusive use of the tramway; but they shall make similar agreements with any other company requiring the same, therefore it is obligatory?—I am supposing that they have made one contract.

101. *Chairman.*] The contracting parties being of the same kind and character?—Yes, there being an identity, or at all events a sufficient similarity.

102. Mr. *Round.*] In Clause 32 you strike out in line 34 the words, "with the approval of the Board of Trade," that is with reference to the future purchase of the undertaking?—Yes; I cannot tell why the Board of Trade should have a voice in the matter. If the city of Manchester, for instance, thinks fit to buy the tramways within the city with the consent of the citizens of Manchester, I do not exactly understand why a department of the Government should interfere in the matter.

103. *Chairman.*] That is a matter which does not affect the railway companies particularly?—It does not. Then there is no alteration until Clause 35, which is to this effect: "The Board of Trade may nevertheless by the certificate vary the tolls, and charges, and regulations, specified in the schedule to this Act or any of them, if in any case it seems to them necessary or proper under the circumstances to do so." That I have struck out altogether, the remark which one of the honourable Members made just now bears upon this; there is this advantage in a Provisional Order, that a Provisional Order coming before Parliament to be ratified is a great deal more plastic than the certificates: by this Act coming before Parliament they may vary their tolls and charges which need not be absolutely peremptory. I do not know whether honourable Members have observed that the intention is that Schedule B. shall contain a schedule of clauses; this does not affect railway companies, but it affects other clients whom I represent. Clause 41 enacts that, "if any person without lawful excuse (the proof whereof shall lie on him) wilfully does any of the following things (namely) interferes with, removes, or alters any part of a tramway, or of the works connected therewith, places or throws any stones, dirt, wood, refuse, or other material on any part of a tramway; does or causes to be done anything in such manner as to obstruct any carriage using a tramway, or to endanger the lives of persons therein or thereon." On the part of the omnibus companies I shall have hereafter to call your attention to the clause; then comes Clause 52, which is a very important clause.

104. Mr. *Round.*] Clause 52 refers to a very large question, does it not?—In point of fact everything depends upon Clause 52.

105. I believe you have a clause printed which you propose to substitute for that?—Yes. I am afraid I must trouble the Committee by reading this clause: "Every inquiry which by this Act the Board of Trade are empowered to make or direct shall be made in accordance with the following provisions: 1. The inquiry shall be held before an officer, to be appointed in that behalf by the Board, hereinafter called the referee, and whose appointment shall be by writing, which shall specify all the matters referred to him. 2. Ten days' notice at the least shall be given by the referee to the parties upon whose representation the Board of Trade shall have directed the inquiry of the time and place at which the inquiry is to be commenced." I propose to add this, and I may as well state that all these amendments which I have made have been founded on preceding Acts, with reference to an inquiry before an Inclosure Commissioner. "Notice of the inquiry shall likewise be advertised, for two consecutive weeks, of some

Mr. *T. Coates.*

29 March 1870.

newspaper circulating in the district or place to which the application relates; and it shall also be outside on the door, or other part of the town hall, vestry hall, or other place on which public notices relating to the said district or place are usually affixed"; in the Inclosure Acts it is upon the church doors, but I think there is always an objection to that; "and that the inquiries shall not be held earlier than seven days after the last advertisement of the notice, and after the same shall be so affixed." Then the clause as proposed proceeds, "The inquiry shall be commenced at the time and place so appointed, and the referee may adjourn the inquiry from time to time as may be necessary, to such time and place as he may think fit." There is absolutely nothing in this clause which gives anybody whatever a right to be heard from beginning to end. You will find afterwards that there are expressed parties, but those parties are never defined. Before I read the next alteration, perhaps I may be permitted to read Clause 4, which is printed in the Bill, "The referee by summons shall, on the application of any party to the inquiry," none being defined, "require the attendance before himself, at a time and place to be mentioned in the summons, of any person to be examined as a witness before him," and so on. And then it proceeds to say that he may administer oaths, and so on, and inflict a penalty if a witness does not attend. It no doubt is an accidental omission in the Bill, and I have taken the liberty of amending it thus: "The following parties (that is taking the expression in the Bill) shall have a right to be heard before the referee."

106. *Chairman.*] Is this on the supposition that the Provisional Order is substituted for a certificate?—Yes; at all events there being a Provisional Order, there is a preliminary inquiry, as there is in the case of all Provisional Orders under the Public Health Act, not only the Piers and Harbours Act, unless the Board of Trade think fit. The Board of Trade may send a referee to the spot if they think fit.

107. The Board of Trade is not obliged to hold a public inquiry?—No, but it usually does. I know of no instance in which a Provisional Order has been made for a pier or dock without a preliminary inquiry. Of course there may have been such instances, but I do not know of them. There is this difference, that it is something made by the desire of the landowner on his own land. Certainly, under the Public Health Acts, there is always a preliminary inquiry. What I propose is: "The following parties shall, among others, have a right to to be heard before the referee, namely, all the railway companies on the ground their access to their stations may be interrupted by the proposed tramway, or that the proposed tramway establishes an unfair competition with them, that it will interfere physically with their railway or works, or on any other ground of injury." If the Committee will bear with me I will state what the justification for that is. There are tramways, for instance, at Manchester, proposed by Bills now before the House. The London and North Western, and the Lancashire and Yorkshire Companies say that the construction of those tramways is incompatible (I do not say that they are right at all, I merely give it as an instance) with the access to their stations. That is a subject upon which, at all events, they ought to be heard, it being a matter of extreme importance to them. Then, again, they say that one of these tramways establishes a competition between them, for instance, between the Lancashire and Yorkshire, which has one of its termini at Manchester, and another at Bury, which is about seven or eight miles from Manchester. They say that they have constructed, at an expense of some millions of money, a line of railway between Bury and Manchester, and that a tramway will be established upon a public road, to the maintenance of which they, through the rates, are large contributors, and which will compete with them. Again, the North London Railway Company, whom I represent before this Committee, have gone to an expense of about two and a-half millions of money in the construction of a railway round the north of London; tramways may be established in competion with them, which will be of the deepest possible injury to them; at all events, they say they have a right to be heard as to the propriety of that construction, and also upon the ground of competition.

108. Mr. *Sclater-Booth.*] Does the Metropolitan Railway Company also take that view?—That is another instance, but I think the strongest instance, in fact, I know of no stronger, is the line between Bury and Manchester.

109. Can anything be stronger than the case of the Metropolitan Railway?—Certainly not

110. Mr. *Round.*] Take the North London. The object of the North London was to compete with what was essentially omnibus traffic?—Quite so.

111. They have got a large amount of capital which they have got to repay themselves before they can compete with others?—Yes.

112. Is it within your knowledge that the rates which the railway companies pay towards the repair of the roads are in some cases a very large proportion of the whole?—Yes, it is not within my own knowledge, because I have never had to pay those rates, but I have heard over and over again from railway companies that within certain districts the proportion of the rates which they pay is very large indeed.

113. As much as one-fourth of the whole, is it not?—I have heard that.

114. Then the position is this: that, whilst contributing a very large proportion towards the repair of the roads, they are by the Bill to see the roads appropriated to purposes in direct antagonism to their interests?—Quite so.

115. And a weapon put into the hands of opponents by means of the roads to which the railway companies have contributed such a large proportion of the rates?—Yes; what they ask by that amendment is, not that there shall be any prohibition or protection, but that they shall be heard before any injury shall be inflicted upon them.

116. It practically amounts to this, that at all events they shall be heard?—Yes; then I propose to add this likewise: "Owners or occupiers of property" (I mention this now because if I do not I shall have to mention it hereafter for the sake of Mr. Shoolbred and others) "who complain that the construction or use of tramways will interfere with the access to their shops or warehouses." There is a very large body represented by the owners of shop property who are affected by this Bill.

117. Then you propose a proviso to the effect that, having been heard before the referee, shall not deprive a party of his right to be heard against confirming the Provisional Order?—Clearly; I very much doubt whether there ought not to be a correlative proposition. I say, provided that the having been heard before the referee shall not deprive any party of the right to be heard on petition against the Bill for confirming the Provisional Order.

118. *Chairman.*] Do you think that after having been heard before the referee, that the parties should be allowed to be heard against the Provisional Order?—Well, candidly I ought to say, before they are heard before Parliament they ought to give notice of their objection by being heard before the referee. I think, if due notice is given of the inquiry (and this is essential), if, in short, there is no excuse for those interested saying that they did not know that anything of the sort was going on, then I do think they ought to be heard before the referee, and that they ought to be asked to be heard before the referee before they trouble Parliament with their complaint.

119. And if they have not asked to be heard before the referee that then they should be shut out from objecting to the Provisional Order afterwards?—Yes, I am sorry to make that remark on my own clients, but I think it is fitting that it should be so.

120. You do not think their interests will be sufficiently preserved by being allowed to be heard before the referee, and not heard before Parliament afterwards?—I look upon the application to Parliament for a Provisional Order as, in point of fact, asking for a registration of the referee's report.

121. Mr. *Round.*] The provision would be this, would it not, that if they do not think their interests sufficiently important to induce them to go before the referee there could be no great hardship in saying, "As you have not taken that step you shall not take the other"?—I think the promoters should have notice before the referee that they may be opposed in order that they may make their arrangements accordingly.

122. Let me ask you whether this may not apply also to it, that Parliament would be better able, in the event of an opposition to the Provisional Order being made, to decide if they know that the whole question had been ventilated before a referee, who had heard all the parties who were before Parliament?—Yes, I think from all points of view that ought to be made reciprocal.

123. Mr. *Sclater-Booth.*] But it is one thing for private parties to have the advantage of the provision which is suggested of going before a Committee of the House of Commons, and it is quite another thing for Parliament to part with its

Mr. *T. Coates.*

29 March 1870.

its powers of throwing out the Bill altogether as a public Bill?—That has been done over and over again.

124. But the Provisional Order may be thrown out on petition?—Yes.

125. You cannot exclude the possibility of the Bill being thrown out on account of any shortcomings on the part of the promoters?—It is quite true that it does seem to restrict the power of Parliament with respect to petitions.

126. But you can meet that by restricting the penalty, as it were, in the way, that you will not allow the petitioners to have the advantage of going before a Private Bill Committee unless they have been before the referee?—Quite so.

127. Supposing parties having the right of presenting a petition in one House omit to do so, and then they petition the other House praying to be heard, it is always a matter of prejudice against them that they have not gone before the other House, is it not?—That is a matter always of prejudice; both Houses have always said, "We will not be ousted of our jurisdiction because the parties have not appeared in the other House."

128. *Chairman.*] I understand from your evidence that you do not think it right that parties should be allowed to lie by and not appear before the referee, and then appear against the Provisional Order before Parliament?—That is my own private opinion, and I am instructed to express that opinion on behalf of my clients.

129. Your proposal would give them three parties before whom to be heard; first, before the referee; a second time before the House of Commons, if the Provisional Order were brought in in the House of Commons; and then, again, before the House of Lords?—Clearly.

130. You propose a preliminary inquiry before a referee?—That is the case with all Provisional Orders of the Board of Health.

131. Mr. *Round.*] You are not proposing to enlarge the scope of the inquiry which the Bill itself provides for?—I am not.

132. Mr. *Loch.*] The local inquiry is not a new principle, because in former years the same sort of thing was carried out under the Preliminary Inquries Act?—Precisely the same sort of thing.

133. *Chairman.*] Have you considered whether in the case of parties who appear before a referee, and have had their cases decided, and who then appeal to Parliament against Provisional Orders, there should be any provision as to costs?—The law now enables Committees to give costs.

134. It enables them to do so, but does not make it compulsory?—No.

135. Mr. *Round.*] They can deal with the question of costs, but they must be unanimous?—Yes; in point of fact, I can assure you that it is not such an agreeable thing to be a petitioner against a Private Bill; it has various incumbrances in the shape of expenses and otherwise attached to it. People do not come here for fun.

136. *Chairman.*] Will you now proceed with your next alteration?—I have struck out a most important matter in paragraph 8, page 21, line 6, which is, "The referee shall have power to direct by, and to whom, the costs or any part of the costs of the inquiry shall be paid." I have struck that out, because I think that is a monstrous power. The promoters come to the spot and ask for a great privilege, namely, the privilege of using the streets; I will admit for the public benefit, but, at all events, immediately for their own private emolument; and if anybody comes before the referee to object to their having this privilege, he may, for ought he knows, be mulcted in costs. That seems to me a great and very gross and manifest injustice. It is clear that people, whether right or wrong, when their property is to be affected, or when they believe their property is to be affected, ought to be able to go before the referee and mention their grievance, and that they should not do it under the dread of a threat which would be undoubtedly exaggerated by the promoters, and, for ought they know, they may have to pay the whole of the costs of the inquiry. The thing is manifestly to my mind unjust.

137. Mr. *Round.*] Suppose the case of a landowner; you are aware that under the power which Committees have to impose costs, a landowner, acting *bonâ fide*, is exempted from the operation of that power?—Quite so.

138. Might there not be many cases arising directly out of the Bill, in which landowners would be opposing parties?—Yes. Then let me come to a humbler sphere. Let me take the case of a great shopkeeper, a man who pays 300 *l.* a day in wages; he believes that the business of his shop will be suspended during the construction of the tramway, and greatly impeded, and afterwards he desires

desires to be heard before the referee. The solicitor for the promoters says to him, "You will have to pay costs, Mr. Shoolbred, if you do this." That is a threat held out over and over again to men not to maintain their rights. I say he ought not to be subjected to costs in that case: rightly or wrongly, he ought to be heard without paying his adversary's costs; it is quite enough that he should have to pay his own.

139. In any case he is subjected to great losses in his business during the time that the tramway is being constructed?—Undoubtedly. Therefore the 8th paragraph of the 52nd clause is entirely unjustifiable. Then comes the 9th paragraph, which I confess I do not understand: "The referee shall for all purposes be deemed to be an arbitrator" (I do not know what it means), "and his appointment shall be deemed to be a submission to arbitration." Between whom? "Between the parties in the inquiry in respect of the matters thereby referred to them"; I assure you I do not know what it means; "and his report shall be deemed to be and shall have the effect of, and be dealt with, as an award made upon the submission, and each such submission be made upon the application of any party interested in the inquiry and right of any of Her Majesty's Superior Courts of Law at Westminster." If anyone will tell me that that clause is here by accident, and means nothing, it will save the Committee itself a great deal of trouble.

140. Mr. *Sclater-Booth.*] You think it may mean something very mischievous?—It may probably be thought that I am disrespectful, but it is nonsense.

141. There is no definition of the word "parties" at all?—First of all there is no definition of the word "parties." Then observe this: A., B., and C. are parties to the inquiry, because they all object; but it is made a submission between them all, and amongst them it operates against A., B., and C.; in short, if you trace it out it has no meaning in it; you cannot get to the end of it.

142. The parties in the earlier part of the clause are the parties who promote the inquiry?—Quite so; the word "party," which is an important word, is by some accident not defined. If it is as between the promoters and the Board of Trade, supposing them to be parties, that is an absurd proposition. I may mean as between Her Majesty's Government and the promoters, but it can have no meaning; at least, I cannot find out any meaning.

143. The next clause is 53?—That I strike out.

144. There is an important manuscript clause printed at page 22, which will come in at line 55?—That is this: if you observe, the expenses are to be paid out of the rates, and this schedule defines what rates they are. There must be a consolidated rate for the City of London; there is the general rate, leviable under the Metropolis Local Management Act for the metropolis; then in boroughs there is the borough fund, or other property applicable to the purpose of borough rates; then any rate leviable by the Commissioners of Sewers; then the general district rate, and then there is to be the borough rate. What I propose on behalf of the railway companies is to put them, and arable land and garden ground, under the same exemption under which they are put by the Board of Health Acts, namely, that they shall only pay one-fourth of the rate for the purposes of these tramways.

145. It is generally introduced into all Board of Health Acts?—Yes.

146. You may call it stereotyped legislation, may you not?—It is stereotyped legislation for all local Acts whatever.

147. Wherever the Board of Health Act applies, this clause applies also?—Yes; it is the Local Management Act.

148. Mr. *Cawley.*] With regard to that exemption, you are aware that it only applies to certain rates; that being so, if the money is to be chargeable on the borough rate, are the companies only to have credit for the same proportion of the tolls and receipts as they now have, namely, one fourth?—I quite admit that as to the borough rate they have not an exemption, and as to the highway rate they have not an exemption; how that would be strictly, when it came out of the borough rate, is more than I at the present moment see. All I want to do is, as the French say, to consecrate the principle in the Bill.

149. If they are to be exempted from the rate they must be exempted also from the receipts and tolls as would appear to be a question of account?—By the Act there is to be a separate account kept, and that certainly facilitates the exemption.

150. Mr. *Sclater-Booth.*] I still do not know on what grounds, as you have

Mr. *T. Coates.*

29 March 1870.

suggested such extensive amendments to this Bill; in fact, you have proposed to re-cast it entirely, you have refrained from completing it by putting in the schedule, which you think would be in harmony with your views?—First, because I have not had time for it; and next, because I seriously think it would be no part of my business to interfere with the very framework and essence of the Bill in such a way as to prescribe regulations for a department of the Government to obey. If it were the wish of the Committee that I should do so, I certainly will do so, but it seems to me far better in the hands of the learned person who has drawn the Bill than in mine.

151. Mr. *Round.*] You have no desire to shirk the question in any way?—The task of making these regulations, I think, ought to be in the hands of the gentleman who has drawn the Bill. I think it would have been presumptuous in me if I had drawn these regulations.

152. Mr. *Loch.*] Do you conceive that your consideration of the case is complete until you know what the contents of that schedule will be as regards the regulations which shall be made?—Yes; all I have done hitherto has been to secure, to the best of my ability, publicity to the inquiry, so that parties interested in that inquiry may know of it, and the ultimate appeal to Parliament, supposing the Provisional Order is made.

153. *Chairman.*] You object to a certificate, such as proposed by the Bill, upon the ground that it does not give sufficient opportunity to the parties of being heard?—Certainly.

154. Supposing the Certificate system to be altered, so as to give the parties a full opportunity of being heard, do you think there would be any objection to it as compared with a Provisional Order?—Then it becomes a mere name; I am perfectly content with the name "Certificate," provided those two clauses are put in which are in the Piers and Harbours Act and in the Public Health Act, that persons petitioning Parliament against a Certificate or Provisional Order, no matter by what name it is called, should be heard as though against a private Bill.

155. I presume it rests with Parliament to lay down what rules it thinks fit, with reference to certificates, whether they shall go as a matter of course to a Committee, or whether parties should be heard or not in the same manner as in the case of Provisional Orders?—Of course I do not presume to dictate at all to Parliament; but the principle I do insist upon is, that these mighty interests which I represent shall not be dealt with by some gentleman who, from necessity, cannot be a person of eminence. You cannot get eminent men to be referees.

156. I think the only Act under which the certificate system has yet been adopted is the Railways Facilities Act, and I think that Act provides for parties being heard before Committees of the House of Commons?—I believe that is so.

157. I am referring to the existing Railway Act, under which certificates for that purpose can be given?—It seems to me that the distinction is that those Acts are with universal consent.

158. *Chairman.*] Supposing there are conflicting parties, would they not in the ordinary course be heard directly before Parliament or before a Committee?—Permit me to show you the difficulty. First of all, the case does not arise upon these two Acts, because the consent of all the landowners is at the basis of your proceedings; all the landowners must consent. But the difference between a certificate which has validity, unless objected to, and a Provisional Order which must be confirmed, and may be petitioned against, is this (I speak now of my own individual and personal experience), you cannot get a Member to deal with these certificates. Some Member who has a local interest may perhaps listen to you against the certificate, but all he will say to you is, "Well, the thing has been determined already; it is to have validity if not objected to; I cannot get the House to object to the certificate." It is a totally different thing if he who is injured has a right to petition Parliament and has a right to be heard. The one thing arises from the act of the party himself, the other thing arises from the willingness of some Member of the House to wait for the chance of the House listening to the case when he does take it up; but the hope of finding a Member to run the chance of the House listening to it, is most remote indeed.

159. Then, providing the Bill contained a clause to the effect that the parties objecting before Parliament should have a right to be heard before a Committee, and that that certificate itself should be referred to a Committee, you would not object?—No.

160. You then say that, practically, there is very little difference between the two systems, namely, a certificate and a Provisional Order?—To my mind (provided I am following you), it is a mere difference of name.

161. With this exception, that the one would go through all the forms of a Bill in both Houses, and the other would go directly to the House, unless petitioned against, and would become law within six weeks; is there not on the whole a certain convenience in that?—There is that very great difference, I quite agree.

162. It is a difference of form, involving certain conveniences under which the principal parties would still have an opportunity of being heard?—Yes.

163. Mr. *Sclater-Booth.*] But would the public have the same opportunity of interfering?—No.

164. *Chairman.*] The certificate would be laid before Parliament, and would be in the hands of every Member; and if there were any public interests concerned, I presume any Member might move that it should be referred to a Committee; is not that so?—Yes.

165. Mr. *Sclater-Booth.*] A Provisional Order passes into the hands of every Member, who can procure the papers relating to it from day to day?—Yes.

166. Mr. *Round.*] Supposing a certificate is objected to by certain parties, and there is no other machinery by means of which it can be objected to, it must be objected to in the House by some independent Member?—I think the hypothesis of the honourable Member in the Chair is that there should be a certificate, and that against that certificate the parties affected may petition, and that they may be heard against it. What is desired seems to be that the whole process of the first and second reading, report and third reading should be avoided, but that a certificate should of itself have the incidents of a Statute.

167. Then I understand that if it is a Provisional Certificate with a right to be heard, it would meet your case as well as if it were entitled a Provisional Order; that is what it comes to, is it not?—Yes; I would let it depend, in short, upon a Petition, and not upon a Motion in the House.

168. Mr. *Sclater-Booth.*] Then you would give persons, as far as you are concerned, the advantage, such as it is, of having public attention called to a Provisional Order in the way that it is now?—I am not here on behalf of the public. All I care about is that my clients shall have an ultimate appeal to Parliament.

169. *Chairman.*] I think under the Provisional Order system there are a considerable number of Provisional Orders generally included in one Bill?—Yes.

170. Then if there is an objection to any one of those Provisional Orders, the whole Bill goes as a matter of course to a Committee?—No, that simply drops out.

171. Mr. *Ayrton.*] It is committed so far as regards the Petition?—Yes.

172. *Chairman.*] All the other cases are delayed until the hearing of that case?—That is so.

173. All the other cases are delayed pending the hearing of the Petition against that one?—In point of fact the delay is nothing; it is a delay of only a fortnight or three weeks. It is a Bill which ought to be introduced early in the Session, but very often is not introduced until very late.

174. Mr. *Cawley.*] Do you know whether any railways have been constructed or any certificates issued under the Railways Facilities Act?—I do not.

175. Mr. *Round.*] Are we in any way trespassing in this discussion upon the province of the other House of Parliament when the Bill comes up there? No; the certificate, as I take it is to be heard before both Houses of Parliament, and certainly, if men are rash enough, after being beaten before the referee, and beaten before a Committee of the House of Commons, to go before the other House, it is clear that the other House ought not to be ousted of its jurisdiction.

176. *Chairman.*] You think it reasonable that they should have an appeal which should be made the subject of a preliminary investigation?—I think so.

177. Making two appeals therefore from the referee?—I may be excused if I do not feel an absolute reverence towards the referees. They are persons no doubt of great respectability and great property, but they cannot be eminent persons; eminent persons have their own professional occupations, and they are

Mr. *T. Coates.*

29 March 1870.

never eminent persons; and therefore that their judgment should be erroneous is a thing at all events within the region of possibility.

178. Therefore do you think that the Board of Trade should be competent to hold a local inquiry in every one of those cases?—Indeed, I think so.

179. Would it not be sufficient that they should have power to direct an inquiry?—No, I am sure you will forgive me for saying that the inquiries before the Board of Trade are really unsatisfactory; in point of fact one does not know what is going on. A landlord, for instance, may have something or other affecting his property going on in the Board of Trade; he knows nothing about it, and he does not see the correspondence; he does not hear the parties. He himself may go to whoever has the management of the department of the Board of Trade and converse with him about it, but he is conscious that the other side may do so, too; there is no confronting his opponent; there is no rule that what comes from one side shall be communicated to the other side. I am sorry to be obliged to make the statement but I must do so in point of truth, and I say it not from my own personal feeling, because I entertain nothing but gratitude towards all the officers of the Board of Trade; but there is a mistrust, and a feeling that things may be going on, and influence may be used which should not be going on and which should not be used. The mere suggestion of there being a possibility of that evil, and therefore that these things should be done otherwise, is attended with inconvenience.

180. Mr. *Ayrton.*] You mean that the Board of Trade has none of the attributes of a judicial body?—Absolutely none.

181. Either in its procedure or decision?—No.

182. That it is not an administrative body?—No.

183. *Chairman.*] You would propose to give them these powers?—No, all I propose is that they may negative if they think fit the referees inquiry.

184. You would vest in the referee judicial functions of this kind?—They nominate certain persons to collect facts; it comes really to that. If the referee is so injudicious as to state essays, as many public officers unfortunately do write essays, then they go beyond their functions. I suppose if they go to the spot and collect facts, and report those facts to the Board of Trade, and the Board of Trade, upon its own responsibility, investigated those facts and issues, either a Provisional Order or a Certificate, anything in the shape of a judicial inquiry, anything which, as far as the contentious parties, as the French say, are concerned, should be done by the Board of Trade, that is, to my mind, an unmitigated evil.

185. Have you the same objection to the local authority having power to sell a certificate, as in the case of companies?—I think so. We will assume any particular town. Take Manchester, Bristol, or any particular town. The corporation there may be persons to be trusted, and who may be confided in by their citizens or constituents, but the persons to whom they sell may not be at all trusted, and there may be a great abuse by the companies which the town council would never either desire or venture to permit. I say again that railways have not a very peculiar interest in that matter, but it is a matter which, amongst other things, they have considered.

Mr. *Rodwell* handed in the following Resolutions:—

"United Metropolitan Vestry Committee,
"Saint Pancras Vestry Hall,
"King's-road, Pancras-road,
"25 March 1870.

"Sir,

"I AM instructed by the representatives of the several vestries and district boards forming the United Metropolitan Vestry Committee, to forward herewith the accompanying copy of their resolutions with reference to the Tramways Bill, and am to request that you will bring the same under the consideration of your board at their next meeting.

"I am Sir,
"Your obedient servant,
"*Thos. Eccleston Gibb,*
"Clerk."

"Jno. Pollard, Esq.,
"Clerk, Metropolitan Board of Works."

"United Metropolitan Vestry Committee. Mr. *T. Coates.*

"At a Meeting held on the 17th day of March 1870, 29 March 1870.

Mr. CLEMENT GEORGE in the Chair.

"The Committee having considered the Tramways Bill,

"It was resolved,—

"1. That in the opinion of this Committee, tramways can be laid and worked upon roadways of great traffic in the metropolis, so as not to interfere with the ordinary uses of the roadways by any kind of vehicle.

"2. That tramways ought to be laid according to an uniform gauge, and upon some comprehensive scheme applicable to the whole metropolis.

"3. That in the event of such a scheme being adopted, the construction and management ought to be in the hands of some central authority.

"4. That it is advisable to confer upon some central representative authority the duty of devising, constructing, and managing such scheme, and that such authority should have power to let by tender the privilege of running cars upon the tramways, and that after defraying the cost of construction and maintenance, the surplus of the revenue arising should be applied in aid of the rates.

"5. That is not expedient to permit companies of private individuals to lay tramways upon public thoroughfares.

"Extracted from the Minutes."

Mr. *John Part*, called in; and Examined by Mr. *Edwards*, on behalf of the owners of collieries and other persons interested in canals in Lancashire.

186. You are well acquainted with the interests of the occupiers of collieries, and the owners of canals and navigations in the counties of Lancashire and Cheshire, and that part of England?—In the county of Lancashire particularly. Mr. *J. Part.*

187. Mr. *Ayrton.*] What are you?—I am a Solicitor, and also extensively interested in large collieries and iron works.

188. Mr. *Edwards.*] You have gone through the Bill for the purpose of suggesting such amendments as you think would be for the interests of the petitioners, and of the public?—I have suggested such alterations as I think desirable to be inserted in the interests of the public.

189. There are some amendments which you propose in the Interpretation Clause, but I will go at once to Clause 5, which vests the power of sale in the promoters; you have suggested that which you think would be a proper alteration of that clause; will you state what that alteration is, and what your reasons are for suggesting the alteration?—The alteration in Clause 5 is by Rider A.: "And upon such sale all the powers and privileges granted to, and which might otherwise be exercised and enjoyed by, the Promoters, by virtue of this Act, or the certificate granted thereunder, with regard to the making of such tramway, and the use, repair, and management thereof, and the tolls to be taken thereon, shall, for such limited term, be exercised and enjoyed by the purchaser, under the same regulations and restrictions as are by this Act, or the certificate imposed upon the Promoters; and such purchaser shall, with respect to the tramway comprised in such sale, be subject to all the obligations by this Act, or the certificate imposed on the Promoters."

190. Will you state to the Committee upon what ground you propose that a limited time should be stated in the Bill?—Upon reading the Bill I take for granted that it was in the contemplation of the framer of the Bill that when parties who were promoters of an undertaking of this description were reimbursed their principal money and the proper amount of interest, that then they should be as far as possible open to the use of the public, without any further payment, except such as would be necessary for the maintenance and repair of it, because they were interfering with a public highway.

191. That is with respect to the power of leasing for a limited term?—Yes; then

Mr. *J. Part.*

29 March 1870.

then again, in the same clause I propose an amendment after the word "certificate," in line 27, giving power to the Board of Trade to extend the time to any term, in case the parties shall not be reimbursed their capital and interest.

192. Mr. *Ayrton.*] Do you think there is anything in the Bill which authorises a person to sell what he has not got?—This gives the power to sell the tramways without any limit,

193. *Chairman.*] Subject to the other clause in the Bill?—It is not so stated in the clause itself.

194. Mr. *Dent.*] You do not raise any objection to the public authorities; your opposition rather relates to private companies?—I think where they can be kept in the hands of local authorities, it would be greatly to the advantage of the public that they should be so retained.

195. Would it not be rather preferable to strike out the clause which reserves the power of sale, and leave in the clause giving the power to lease?—Certainly.

196. So that power over the traffic might be kept in the hands of the local authorities?—If this clause is to stand, I think it should be with this amendment.

197. Would you not rather prefer striking out this Clause 5, which gives the power of sale, and keeping in Clause 7, which gives the power of leasing?—Quite so.

198. We may take it, then, that you would agree with the railway companies who have appeared before us, and strike out Clause 5 altogether?—Yes.

199. Supposing that the local authority had got power to make a line, that is, a concession, and they sold the line, in the one case it being a constructed line, and in the other a line to be constructed, do you think it would be unjust that they should have the power to sell a concession of that kind?—I think it would be a very dangerous power, and one contrary to the principle of prior legislation.

200. As I said before, you really agree with the railway companies that that clause shall be struck out altogether?—Yes.

201. Therefore, on what ground do you think it dangerous that local authorities should have the power; you are now assuming that it should be made by the local authority and not a company; but supposing the concession is given to a local authority?—I think it much to be preferred that an undertaking of this description should be kept in the hands of the local authority, for this reason: the local authority are interested in the convenient user of the public highway, and have solely the interests of the public and the district to consider. That is not the case with a private company which takes up the matter as a private speculation. I think works of this description would be much more beneficial to the public at large if in the hands of the local authorities than in the hands of third parties who are merely speculators.

202. It may have been the case, perhaps, that the certificate was obtained without opposition, because the local authority was the party who constructed the road?—Precisely.

203. *Chairman.*] If afterwards they were to have any power to sell, that might quite alter the relations of the parties who were not benefited?—Undoubtedly so, and the rights of parties would be affected by it.

204. Mr. *Dent.*] Supposing a concession is obtained in the first instance by private parties, you would not object to a sale of it to the local authority?—Certainly not.

205. Mr. *Ayrton.*] Do you see any objection, when a certificate has been granted to private persons, to their selling it with the consent of the local authority; what does it matter whether A. or B. holds the concession?—Much of the objection to its being sold would be that the sale was not to take place until the tramway was completed. I think it would be very objectionable to allow them to sell the concession itself, without the power of making the tramway, to any third parties, because men of straw might obtain a concession and then make a merchandise of it, to the prejudice of the public.

206. However, your object is to prevent any underhand dealing, so to speak, with the certificate?—Yes.

207. That is the only motive that you think ought to be considered?—Yes.

208. Mr. *Edwards.*] I understood you also to say that you think a tramway should

should be managed by a public body, having no particular private interest?—I think it desirable it should, if that could be effected.

209. *Chairman.*] You would prefer to see the tramway in the hands of local authorities to being in the hands of companies?—Undoubtedly.

210. Mr. *Edwards.*] The local authorities, knowing the interests of the district, being the persons to repair and maintain the roads formed out of the money of the ratepayers of the district?—Yes.

211. Mr. *Ayrton.*] You do not go the length of suggesting that no concession should be made to individuals who wish to make tramways?—No, I do not say that at all.

212. Mr. *Edwards.*] The ground of the general opposition of those whom you are speaking of at present is, that the Bill provides for an exclusive use of the tramway when made?—Yes.

213. Will you state to the Committee on what ground you think it not desirable that exclusive use should be given to promoters or lessees, but that the tramway should be open to every description of traffic under proper regulations for the whole of the country; take, for instance, the coal trade in Lancashire, the amendments proposed in 7 and 24 really go to the question of exclusive user?—I think it would be extremely objectionable that a monopoly in undertakings of this description should be vested in any single body, and more especially if there is to be a power of lease or sale. The traffic in Lancashire is principally of a very heavy character, and one can well imagine that if an individual or any powerful body were enabled to obtain a lease, and by such lease a monopoly of an undertaking, they might very considerably interfere with and embarrass the trade of the country. I will suppose, for instance, that a large company, having a canal or railway, were to obtain possession of one of these undertakings, and that, when in connection with their own undertaking, they might prescribe to parties, who might wish to use the tramway, terms and conditions which would compel them to have recourse to the system of the company which had the monopoly, and so interfere with the competition of all other companies. For instance, in an extensive colliery district there are works which may be at a distance of some three, four, or five miles from a canal or a railway system; the parties having the monopoly of the tramway might say, "Unless you choose to forward your goods by our system, we will not facilitate you in the use of these tramways." If at the terminus of a railway or a canal, or any portion of it, parties might wish to forward their goods or minerals, they might say to those parties, unless you choose to send your goods by our system we will not render you the facilities of the tramways, or only on conditions which would be tantamount to prohibition.

214. *Chairman.*] When you speak of the exclusive user of a tramway, do you mean exclusive user by a particular class of traffic?—For any class of traffic. Suppose, for instance, they were constructed for the transport of coal or merchandise, no one body should be enabled to say, "You must use our system if you wish to have the privilege of using this tramway."

215. Suppose a tramway laid down simply for the use of omnibuses, do you think that heavy traffic, carrying coal, for instance, should be allowed to use that tramway?—I see no objection to it.

216. Would it be possible, in your opinion, that two different kinds of traffic should be carried on?—It is done extensively on the dock railways of Liverpool, which are used indiscriminately for passenger, omnibus, and all the heavy dock traffic.

217. Mr. *Hibbert.*] If such traffic were allowed on tramways, for instance on the road entering Salford, would it be possible for omnibuses to use the tramways; is not the traffic there so great that it would be quite impossible for an omnibus to get on to the tramway?—There are many cases in which it would be inexpedient that traffic of a heavy character should use the tramway, but I think that might be met by vesting in the Board of Trade, or the local authority, a power to regulate what classes of traffic should use a tramway in certain localities.

218. *Chairman.*] You are of opinion that the tramways, under the authority of the Board of Trade, should be restricted to a particular class of traffic?—*Primâ facie* they should be open to all classes of traffic, subject to restrictions by the Board of Trade where the circumstances of the population or the amount of traffic rendered such restrictions necessary for public convenience.

Mr. *J. Part.*

29 March 1870.

219. Mr. *Cawley.*] Would it be possible for any tramways or railways yet laid down, to be used for carriages which go upon roads and convey coals to their destination?—I understand, although I have not seen it, that in Lancashire the drivers of the omnibuses have the means of raising the flange so as to release them from the tramway and enable them to pass along the road.

220. Mr. *Edwards.*] That is done, I believe, for six miles along the docks?—I think the dock tramways are six miles in length.

221. Mr. *Cawley.*] Supposing such a tramway to be laid down as you are speaking of now, could any conveyance which is used for carrying coals from the collieries distribute those coals at the different manufactories, and in the course of their transit use the tram?—I have no doubt that mechanical ingenuity will discover means to accomplish that.

222. But that has not yet been done?—It has not yet been done.

223. Mr. *Edwards.*] Waggons might be specially provided for the coal traffic, might they not?—Yes.

224. You are speaking of traffic which comes from collieries and passes along the streets, which you say ought to be able to use the trams, but which when they get to the trams must go off it?—Yes.

225. Can the present omnibuses, which are used in Manchester and Salford, go on and off the tram as they please?—I am not acquainted with the practical working of it. It is a question of degree and strength. The principle is the same.

226. Assume that a tram is made through the coal district, say, from Manchester to Bolton, do you see any objection to that being used right up to a certain part of the town by waggons or carriages properly adapted to run on the rail along with passenger traffic?—I should be inclined to think that the construction and use of a tramway by the heavy coal traffic between Manchester and Liverpool would be a great saving to the local authority; because it would greatly diminish the wear and tear of the roads by taking the heavy traffic upon the tramways, which will clearly transport at a much less expenditure in repairs than the common roads.

227. Mr. *Loch.*] Taking the neighbourhood of Manchester as an example, do you think that a tramway for heavy traffic, such as coals, could be used consistently with the greater speed which would be required in the case of omnibuses?—I think they might be made to work together. I think the coal traffic might be taken at a speed almost as great as the speed of the omnibuses.

228. Then, without retarding the passengers, you would accelerate the coals?—Yes.

229. *Chairman.*] Would the heavy traffic, in your opinion, be prepared to pay tolls for the use of the tramway?—Undoubtedly.

230. Mr. *Sclater-Booth.*] And you think the width of the gauge would be no objection?—The width of the gauge would depend on their being worked in connection with existing railways.

231. For ordinary classes of heavy goods?—There need not be much difference between the gauge on the tramway and the ordinary railway gauge of the country.

232. Mr. *Edwards.*] Up to a certain point, may not the tramway run through what may be called the rural district, and then the heavy traffic be diverted along another tramway, and the passenger traffic afterwards enter upon another line?—I think the arrangements, as to what traffic should pass along certain lines in certain districts, might be left much better in the hands of some public department to make regulations, according to existing circumstances, when those circumstances are changeable in their character.

233. Mr. *Ayrton.*] Is it your opinion, that when fast and slow traffic (for that seems to be the only distinction) is to be provided for by tramways, that the slow traffic ought to be carried in carriages so constructed that they can be turned off so as to allow the fast traffic to pass?—Yes.

234. Mr. *Sclater-Booth.*] Your proposal implies that there should always be two lines of tramways?—Undoubtedly.

235. Mr. *Dent.*] Each of these cases must rather rest upon its own merits?—As to whether heavy traffic should or should not be permitted.

236. Will not these cases be rather met by the proposition that has been made, that there should be a Provisional Order in lieu of a certificate, and a local inquiry where the parties interested could be heard, and such a system adopted by

by a separate Provisional Order?—That, I think, would meet my view, to a great extent, but the present scope of the Bill is, that the use of a tramway for passenger traffic is the exception and not the rule.

237. Particular cases like these to which you have referred are exceptional, and will have to be dealt with by an exceptional and particular Act of Parliament?—By a particular certificate or Provisional Order.

238. But the Board of Trade would scarcely be as well adapted to deal with that from a central office, as an inquiry in the locality, where all parties could be heard, and the Act of Parliament adapted to that?—I can well imagine that questions would arise in certain circumstances.

239. Lord *George Hamilton.*] Do you think that any company would apply for a certificate to lay down a line if they knew that they could not have the benefit of the line, but that it would be used for heavy traffic?—I think they would; I have reason to know that parties would be willing to contract under the terms of a lease, where the traffic was likely to yield an adequate sum by the construction of a tramway; I am not in a position to say positively that they would do so, but I believe that to be their present feeling. With reference to the question just put, I would say that where parties are not in a position to construct a tramway, it is, I think, contrary to the principle of legislation hitherto in all matters, and contrary to good feeling that they should have power to construct a tramway and sell it to others, when it is necessary for them to have recourse to other parties to borrow the money.

240. You think that corporations would apply to lay tramways where they could, and that amongst the conditions of sale they should be liable to be used for heavy traffic?—Yes, in payment of tolls.

241. Mr. *Edwards.*] What I understand you to say generally is, that with regard to the requirements of the district upon a particular application, the question has to be decided what kind of traffic should be permitted or not permitted upon the tramways to be laid down in it?—Quite so; I could imagine many districts having tramways of this description, in order to make them remunerative, which would depend almost exclusively upon heavy traffic.

242. Mr. *Ayrton.*] In your view, the greatest use of the tramways would be for heavy traffic, and not for passengers?—No doubt, the greatest saving would be in the heavy traffic.

243. Mr. *Edwards.*] The circumstances of one large manufacturing town might be different from another, and heavy traffic might be permitted in one and not in another?—Yes; I can illustrate that by what has been done, to a great extent, in some of the large towns, namely, providing that heavy traffic, such as the cartage of coals, shall only take place in certain streets on certain days. The same restriction might be adopted, under Provisional Orders, with respect to certain towns where there were tramways, which might be used for general traffic at certain times, and during a portion of the week only used for passenger traffic.

244. Mr. *Ayrton.*] What you seem to aim at is, that tramways should be in the position of ordinary turnpike roads?—Precisely so; they are taking it from the public, and should give as much back to the public as they can.

245. Unless a case is made for some modification in the ordinary condition of a turnpike road it should be subject to that?—Precisely so.

246. Mr. *Edwards.*] You have suggested some alterations in Clause 7; will you explain what they are?—The object of the alterations in Clause 7 is with regard to the power of leasing the undertaking; that the lease shall be confined to the power to let the collection of tolls, and if they are let subject to a lease, being liable to the maintenance of the road and the necessary repairs, that the tolls might be let either with or without a tramway.

247. You distinguish between a leasing of the tolls and a leasing of the exclusive use of the tramway?—Yes; to strike out which might imply an exclusive use of the tramway.

248. In turnpike trusts the tolls are let to be collected by the trustees at so much per annum; it is that kind of lease which you propose by the alteration you suggest in that clause?—Yes, it follows almost upon tramways being open for the use of the public, such as I have before suggested.

249. Take the case of a canal; canals even now, with few exceptions, are simply for the purpose of collecting tolls; all persons who use them, paying the tolls required by the particular Act of Parliament?—I believe in every instance

Mr. *J. Part.*

29 March 1870.

the lease of what may be termed the canal, is confined to a lease to collect tolls; the companies retain to themselves the canal, and the liability to repair.

250. Canal navigations admit all kinds of traffic upon them, and as a rule they do not have their own plant?—They do, practically.

251. At all events they have not until recently, the exclusive right to carry upon canals?—None whatever.

252. You would apply that principle then to tramways?—Yes.

253. Mr. *Sclater-Booth.*] You do not apply this to the railways?—In theory I believe it is applied to railways, but practically it is a monopoly.

254. Some tramways might approximate more nearly to a railway in respect to their construction and the kind of use they would be put to, and other tramways might approximate more nearly to the case of a common turnpike road?—One might be more adapted for heavy traffic than another, but so long as tramways are to be used only by animal power, what renders railways a monopoly would not apply to them.

255. Mr. *Ayrton.*] Every landed proprietor has the right, has he not, of making sidings to a railway under certain conditions?—Which conditions almost amount to a prohibition. There is a further amendment which I have suggested in Clause 7, which is this, "There shall be inserted in every lease of a tramway a condition of re-entry if at any time the lessees shall fail or neglect to keep the tramway and every part thereof in good repair and condition." I think, for the benefit of the public, that that should be inserted.

256. Mr. *Edwards.*] Then there is an alteration in Clause 24 which goes to the question of exclusive user; will you point that out to the Committee?—Clause 24 is to secure to the public the enjoyment of a tramway. The alteration for that purpose is this, "Subject to the payment of the prescribed tolls, and the observance of the bye-laws, any person shall be entitled to use a tramway or any part of a tramway made under the provisions of this Act for all classes of traffic with wheels especially adapted to run on a grooved rail. All carriages used on any tramway shall be moved by animal power only." I propose that that clause shall stand with that power; that is, to secure the tramway for the use of the public.

257. Subject to the payment of tolls that may be prescribed?—By the bye-laws.

258. *Chairman.*] The effect of this clause will be rather to disconnect the tramways from any particular omnibus company?—Yes.

259. It would be to compel any tramway companies to lay tramways down, open to all the world upon the payment of tolls?—Precisely, as a canal is at the present moment.

260. Your reasons for that are grounded on the peculiar character of the traffic of Lancashire?—I think the principle is applicable to every part of England; it is certainly adapted to large heavy traffic.

261. Mr. *Edwards.*] In addition to the proposed alteration of Clause 24 you have suggested an additional clause which is printed as 24 A?—Yes.

262. What is the object of Clause 24A?—Clause 24A is a clause corresponding in a great measure with the power to lay down branch railways which is contained in the Railway Clause Act. Then 24 A is as follows: "This Act or any certificate thereunder shall not prevent the owners or occupiers of lands adjoining or near any road along or across which any tramway shall be laid from laying down, with the consent of the road authority, either over the said lands and road or the lands of any other person, with the consent of such person, any collateral branches of tramway to communicate with the tramway for the purposes of bringing carriages to or from or upon the tramway; and the promoters shall, if required, at the expense of such owners and occupiers, make openings in the rails and such additional line of rail as may be necessary for effecting such communications in places where the communication can be made with safety to the public and without injury to the tramway, and without inconvenience to the traffic thereon, and the promoters shall not take any toll for the passing of any passengers, goods, or other things along any such branch: but this enactment shall be subject to the following conditions: The promoters shall not be bound to make any such openings in any place which they shall have set apart for any specific purpose with which such communication would prejudicially interfere. The persons making or using such branch tramways shall be subject to all bye-laws and regulations of the Company from time to time made, with

with respect to using the tramway and otherwise, and the person making or using such branch tramway shall be bound to construct, and from time to time as need may require, to renew the offset plates and switches, according to the most approved plan adopted by the promoters and under the direction of their engineer."

263. Mr. *Ayrton.*] That is the clause in the General Railway Act, is it not?—The general Railway Act gives power to the local authority; we only propose here to give a power with the consent of the local authority.

264. *Chairman.*] That is carrying out more completely your views, that tramways should be open to everybody?—Yes.

265. And that they should have sidings where it is advisable?—Precisely so.

266. Mr. *Edwards.*] The alterations in the succeeding Clauses 27 and 28, are for the purpose of carrying out the views which you have expressed?—Clauses 27 and 28 are, and Clauses 27A and 28A are, for the purpose of carrying out more effectually what is expressed in Clauses 27 and 28 of the Bill. 27A is for the purpose of making it obligatory upon the parties using the tramways to render an account, that is also taken from the Railway Acts.

267. That is the case also with Clause 28A?—It is; that is merely imposing a penalty for not giving an account.

268. Now will you turn to Clause 33?—There is an amendment to Clause 33, which, as originally framed, enabled the local authorities, in case the parties ceased from working the railway, by sending a single cart or carriage over the tramway, to remove the tramway, which took it out of the operation of this clause. What struck me was, that it was important to the public that the tramway and the road connected with it should be kept in good order; therefore, I have made an alteration to this effect: "If at any time after the opening of any tramway for traffic, shall fail or neglect to keep the tramway or any part thereof, in good working order and condition, and a certificate of the Board of Trade of such failure or neglect shall be obtained, such tramway shall thereupon vest in the local authority, with all the powers and subject to all the obligations vested in, and imposed upon, the promoters by virtue of this Act, or any certificate thereunder, or it shall be lawful for the local authority at any time after such certificate of failure or neglect shall have been obtained, with the consent of the Board of Trade, to remove the tramway." Then follows the language of the clause as originally drawn. It strikes me that it would be undesirable, under certain circumstances, that if the promoters failed to keep the road in order, and it is vested in the local authority not to remove it, and that it might well pay the local authority to continue to keep the road in repair, where it would not pay a private company to do so, and that it should be for the convenience of the public that the road should be continued and not removed.

269. In Clause 36 attention has been called to the making of the bye-laws; what is the object of the alteration which you suggest?—That there should be a publication and notice of the bye-laws. It is in line 14.

270. That is the case also with the alteration at the bottom of page 17?—Yes.

271. You propose an addition to Clause 17, with respect to bridges; will you explain why you suggest the insertion of that clause?—There are bridges over navigable rivers, and also over canals, some of which are not the property of the owners of the navigation, and, therefore, they would not come within the definition of the owners of bridges in the Interpretation Clause, but it might so happen that in constructing a tramway it might become necessary to interfere with the crown of the arch of a bridge, and the object of this amendment is to prevent the promoters of tramways having power, without the express authority of Parliament, to lower the headway of a bridge over a navigation, or to diminish the waterway. That is a limitation which they propose under the power to cross bridges.

272. I think Clause 49 also affects the same interest; there is a rider to Clause 49 which you propose?—This is to preserve certain existing rights which the owners of navigations have to alter their works. The clause as it originally stood was confined to altering the roads over bridges. The navigation is so connected with public roads that I venture to suggest this alteration: "Nothing in this Act, or in any certificate obtained in pursuance thereof, shall limit or interfere with the rights of any owner, lessee, or occupier of any mines, or minerals,

Mr. *J. Part.*

29 March 1870.

lying under, or adjacent to, any road, along, or across which any tramway is laid to work such mines and minerals; nor shall any such owner, lessee, or occupier be liable to make good, or pay compensation, for any damage which may be occasioned to the tramway by the working in the usual and ordinary course of their mines or minerals."

273. This clause has reference to the protection given to the owners of mines lying under roads?—Yes.

274. Will you explain why you think a clause protecting the owners of mines from making compensation to the owners of tramways should be inserted in this Bill; your clause is, "Nothing in this Act, or in any certificate obtained in pursuance thereof, shall limit or interfere with the rights of any owner, lessee, or occupier of any mines, or minerals, lying under or adjacent to any road along, or across, which any tramway is laid to work such mines and minerals, nor shall any such owner, lessee, or occupier, be liable to make good, or pay compensation for any damage which may be occasioned to the tramway by the working in the usual and ordinary course of their mines or minerals"?—A clause providing for this has generally been inserted in Railway Acts, and in Waterworks Acts, to enable the owners of mines to work mines as they have heretofore done under any undertaking. This is merely to protect the owners of mines if they get no compensation on account of those tramways from having imposed on them an additional responsibility to working those mines in the ordinary course, greater than that to which they are now subject.

275. *Chairman.*] In what respect is it greater?—The present system of working the mines is entirely to remove the whole of the stratum, and a certain subsidence takes place. It would be easily removed in repairing a turnpike road, but not so in repairing a tramway; unless some provision of that kind is inserted, the owners of mines would be liable to a greater risk and obligation.

276. Mr. *Edwards.*] You do not want persons who have got rights under a road to be subject to an injunction being awarded against them in Chancery, or to an action for damages?—No.

277. *Chairman.*] I suppose a level road is of more importance to tramways than roads which turn?—No doubt.

278. You think if the subsidence takes place in consequence of the working of the tramways that you would be put to greater expense?—Yes, and for which we get no compensation by the Bill.

279. Mr. *Cawley.*] No property would be vested in them by the Bill?—There is an easement.

280. Would that easement affect the rights of the parties underneath?—Yes, you give them an easement, and from the time they use that easement they would be entitled to compensation for any interference with that easement.

281. Mr. *Sclater-Booth.*] Supposing you cause a subsidence in an ordinary turnpike road, what happens?—They can compel you to make it good.

282. Mr. *Edwards.*] You do not want to deal with strangers having a right over the road for the purpose of making tramways; is that what your view is?—Yes.

283. Mr. *Cawley.*] The railway companies purchased land, the mines being specially reserved by their Act of Parliament?—Yes, the landowners get compensation. The Legislature has provided for the protection of the landowner in the enjoyment of his mines, and also for the protection of railway proprietors, the same as waterworks companies.

284. Is not there this difference, that in that case the landowner only parts with a portion of his rights, it being then optional with the company whether they pay for the remainder?—Here you interfere with the soil and freehold of the landowner, and you give him no compensation.

285. *Chairman.*] Then, is the right taken away from the landowner by the Tramways Bill?—You impose an additional risk in the enjoyment of his property.

286. Mr. *Ayrton.*] All you want to take care of is, that no right shall be taken away from him?—That no additional obligation shall be imposed upon him.

287. Mr. *Cawley.*] The landowner is to restore the road, is he not, if he lets it down?—Yes; I do not propose to interfere with the obligation, but I propose that we shall not have a third party put upon the land with rights.

288. Mr. *Edwards.*] In the last alteration which you propose in Clause 51 A, which

which is, "Nothing in this Act shall prevent the maintenance, construction, and user, of railways and tramways already made, or hereafter, with the sanction of the road authority, to be made across any road along which any tramway shall, under the authority of this Act, or any certificate thereunder, be made or constructed"?—Those roads are made with the sanction of the road trustees, and the construction of tramways might break them up.

Mr. *J. Part.*

29 March 1870.

289. Tramways do cross many roads in the neighbourhoods of Manchester?—Yes, and in many instances in Lancashire.

[Adjourned till To-morrow at Twelve o'clock

Wednesday, 30th March 1870.

MEMBERS PRESENT:

Mr. Ayrton.	Mr. Hibbert.
Mr. Cawley.	Mr. Shaw Lefevre.
Mr. Dalglish.	Mr. Loch.
Mr. Dent.	Colonel Wilson Patten.
Lord George Hamilton.	Mr. Sclater-Booth.

GEORGE JOHN SHAW LEFEVRE, Esq., IN THE CHAIR.

Mr. *John Lingard Vaughan,* called in; Examined by Mr. *Shrubsole.*

Mr. *J. L. Vaughan.*

30 March 1870.

290. You are Clerk to the Trustees of the Manchester and Buxton turnpike roads?—Yes.

291. Have you had any experience in the existing tramways which have been laid down at Liverpool?—I have merely inspected the tramways there, in company with the road surveyor.

292. By Clause 19 of this Bill, it provides that the promoters are, besides repairing so much of the road as the tramway will occupy, likewise to repair 18 inches beyond the rails on each side of the tramway, why is that insufficient in your view?—On inspecting the tramway in Liverpool we measured the sides of the outer rail, and in many instances we found that the injury to the road exceeded considerably 18 inches; in one instance a subsidence had taken place considerably beyond 18 inches; and there was one instance where it was actually four feet.

293. Mr. *Sclater-Booth.*] Is the rail at Liverpool set in solid granite?—Yes, it is.

294. *Chairman.*] And they have paved for a distance of 18 inches?—Yes; it is paved altogether; the whole of the street is paved, and not macadamised at all.

295. Mr. *Dent.*] Is it an iron tram?—Yes, it is an iron tram, with a groove and flanged wheels.

296. And the subsidence, you say, has taken place four feet beyond the rail?—Yes, the outer side of the rail.

297. Mr. *Hibbert*] Did that extend for some distance?—There were several patches.

298. Mr. *Ayrton.*] Why was there a subsidence to the extent of four feet?—I cannot tell from what cause it was, but there was a great hole just at the side, and there appeared to be a subsidence of the roadway.

299. Mr. *Dent.*] Did you find the average distance from the roadway more than 18 inches?—Yes, the average would be considerably more than that; I should think it would be nearer three feet than anything else.

300. Mr. *Sclater-Booth.*] What do you mean exactly by subsidence?—The under part of the road giving way; and I apprehend it was from the imperfect construction of the tramway itself.

301. Can you trace it in any way to the construction and action of the tramway, or is it from the traffic of the rest of the street flowing in a certain line?—There is no doubt that it is in a great measure attributable to the traffic being all confined to one side of the street in consequence of the tramway.

302. A sort of rut is made there?—Yes.

303. Is

303. Is the subsidence a rut, or is it due in any way to the action of the tramway?—I take it that it is in one sense a rut; it is not from the carriages themselves. Mr. *J. L. Vaughan.*

304. Mr. *Ayrton.*] Do you mean that the part of the road which contains the tramway itself has subsided some three feet on each side, or that there is a rut or sinking at each side of the tramway, the tramway rising up above the ordinary level?—No, it is on the outer side of the rail. 30 March 1870.

305. Mr. *Hibbert.*] Has not this subsidence taken place since the tramway was laid; it has not been completed very long, has it?—It was in a part of Manchester-street.

306. Do you know when the tramway was laid, for what width the pavement was broken up outside the rail?—I do not know; I was not present, and I cannot tell.

307. You cannot tell whether this subsidence has taken place in the old pavement, or in the pavement which was replaced when the rail was put down?—It would be the new pavement, because they made an open space to lay the rail, without taking from the outer part of the pavement.

308. What width of pavement did they break up when the rail was put down? I am not able to answer that question.

309. You cannot say whether this four feet was new pavement, or old pavement?—It appeared to be new pavement; I should judge it to be new pavement from the other style of pavement in the street. It was in Dale-street where the measurement took place. We measured it in Dale-street, and also in Manchester-street.

310. Mr. *Dent.*] Is there goods traffic on that tramway?—No, it is all passenger traffic.

311. *Chairman.*] Is any part of the Liverpool tramway laid in a macadamised road?—No, it is all upon a paved road.

312. Have you any experience of laying down tramways on macadamised roads?—No.

313. The effect of your proposition would be to entail upon the tramway companies, when tramways were laid down upon a macadamised road, the expense of paving another foot and a-half on each side of the tramway?—Yes.

314. Mr. *Hibbert.*] Do you consider that the damage which was caused to the road was from the action of the carriages moving on the tramway, or from the excess of traffic upon the diminished part of the road, the road of course being diminished by this part which is monopolised by the tramways?—It would be from the excess of traffic on the outer side; not arising from the tramway itself.

Sir *Joseph Heron,* called in; and Examined.

315. *Chairman.*] What have you to state to the Committee with regard to the amendments proposed on behalf of local authorities?—Perhaps I may explain to the honourable Chairman that the Committee have, I believe, the alterations I am going to refer to copied into the Bill, and also separately; but I will refer to them as they occur in the Bill. I may say that I am speaking on behalf of the Corporations of Liverpool, Birmingham, Leeds, Salford, and Manchester, and also the Hundred of West Derby who were represented at our meeting when we went together very carefully over the Bill, and, except what I shall explain, the amendments which I propose are proposed on behalf of all the corporations; and I think I may say that they are amendments which will be generally adopted by other corporations who have not been actively interfering. The first amendment which I will read is on page 2 in Clause 4, which reads: "The local authority with the consent of the ratepayers in such district." The amendment which I propose on behalf of the corporations is, after the word "authority," "in boroughs or districts of local boards, in pursuance of a resolution adopted at a meeting specially convened to consider the question, and in other districts the local authority," and in line 8, after the word "district," insert the words "In pursuance of such resolution and with such consent as hereinbefore provided." It will be seen at once why we propose this. We consider that if we do not represent the other inhabitants for such a purpose we do not represent them at all, and that in corporations or local Sir *Joseph Heron.*

Sir *Joseph Heron.*

30 March 1870.

board districts, where there is a council or a local board, it may very well be left to the council or the local board to determine whether they will apply themselves for a certificate, or give consent to the certificate being applied for by any other party. It has been proposed by some of my friends in Liverpool, and others, that these words should be introduced with reference to the meeting "at which two-thirds of the members shall be present."

316. *Chairman.*] You propose to leave in the words "with consent of the ratepayers," in the case of boroughs or corporations, or you would then assume that they had the consent of the ratepayers?—Yes, if there is the vote of the council or the local board. The words which I have just read the town clerk of Liverpool, I believe, would like to say something with regard to their being introduced on behalf of Liverpool, Leeds, and West Derby, that is to say, "at which two-thirds of the members shall be present." I have no doubt the honourable Chairman will recollect that that is the case sometimes with reference to making bye-laws. It is required that at any meeting of the council where bye-laws are made two-thirds of the members of the board shall be present, and then of course at that meeting the vote of the majority is conclusive. The next amendment is in Clause 5. It will be seen that we propose to strike out the words "and where they are not any such authority they may with the consent of the local authority," we think it very undesirable that promoters, other than the local authority, should have the opportunity of disposing of the certificate. It really is a temptation to parties to try to get the certificate for the mere purpose of selling it and speculating with it; as far as the local authority is concerned they really would have in some way or other to dispose of it, for they are authorised to do it by the very principle of the Bill.

317. Mr. *Hibbert.*] But that would not prevent them selling it to the local authority, supposing they had obtained it?—Certainly not; not under the provisions which follow; but, supposing the tramway had been laid, and the promoters were willing to dispose of it to the local authority, the provisions that follow in the Bill enable that to be done.

318. *Chairman.*] You think that where the promoters are the local authorities they should have the power, after getting the consent of Parliament or the Board of Trade, to make those tramways, to make a concession of their authority to companies?—To any company with whom they were perfectly satisfied that the work would, under their immediate direction, be satisfactorily performed.

319. So that they delegate to a company the right of making the tramway?—Yes, exactly so, as well as the use of it.

320. Mr. *Sclater-Booth.*] And of selling it?—No, not of selling it; we assume that if the authority grant to a company the right to make it, it will be to a company that would give them satisfactory security that they were going properly and in accordance with the Act to utilise it. We should simply obtain the certificate in the mode in which they might have obtained it as promoters; and we should only put them in the same position, by transferring the certificate to the company, as they would have been in if they had originally applied for it.

321. *Chairman.*] The scheme would originate with you?—Yes.

322. As I understand, you would then get the consent of the Board of Trade and of Parliament under an Act, and having done so, you would offer the concession to anybody who chose to make an offer?—Yes, we should have power to do that; or we might make the line and then let it, which is the only way in which we could deal with it.

323. That is the second process under the Bill?—Yes, we must let it, because we cannot work it by the very nature of the Bill and the provisions of the Bill.

324. Mr. *Ayrton.*] What you propose is, to get the sanction to make it yourselves, the inhabitants having concurred in it; what do you propose to do, to protect the inhabitants from your shifting the ground and altering the character of the undertaking?—We should have no power to shift it; whether we made it ourselves under the authority which it is supposed would be obtained, or whether we assigned that authority to a company who had made satisfactory arrangements with the local authority; they would be tied down to the plan which had been approved by the Board of Trade, and confirmed by Parliament.

325. It is one thing for the inhabitants of a town to allow the local authority to make the road, and it is another thing for the inhabitants to acquiesce in speculators taking that road into their own hands and doing anything with it?—As

—As far as that alteration is concerned, there is no variation whatever from the whole principle involved in the Bill; because the very principle involved in the Bill is, in the first instance, that the local authority may obtain the power to make the tramway; and in the second instance, that the company or the speculator may obtain the power, with the consent of the local authority.

326. The inhabitants are aware of the application of the company or speculator to make the road, and they have an opportunity of objecting to it, and everybody has notice of what the thing is; but you propose that the public notification shall be for an entirely different purpose, namely, for the local authority to make it; then I want to know what security you propose to give to the inhabitants and the public, to give them an opportunity of objecting to the change?—It does not appear to me that they require any additional security than they would necessarily have, because they may fairly expect and believe that the local authority will take care that the work is executed in a manner just as satisfactory to them as if they executed it themselves; and at any rate, so far as the inhabitants are concerned, they would be in no worse position than they would have been if the certificate had been applied for in the first instance by the company, with the consent of the local authority and the works executed by them.

327. They would be in an entirely different position, because in the one case the certificate cannot be granted unless the inhabitants acquiesce in the speculators taking possession of the road, but in the other case the speculators would get possession without the inhabitants having any opportunity whatever of objecting?—No; assuming that the alterations which we suggest are adopted, it is the consent of the local authority which alone would enable the speculators to get possession and get the certificate.

328. That would not enable them to get it; that would only be one act towards getting it; of course the inhabitants could object to it?—I confess that I do not quite see the difference which is being pointed out. It appears to me that there is really very little difference so far as the inhabitants are concerned, whether the certificate is obtained upon the application of the local authority and then handed over to the company to execute and carry out, or whether it is to be obtained on the application of the company itself with the consent of the local authority and then carried out by them.

329. Every occupier of a house in the street in which a tramway is to be made might claim to object to that tramway being laid down in his street in front of his door?—Of course he could, but it could not make any difference to the occupier whether the rail was laid down by a speculator or by the authorities, provided it is laid down properly; whether the works are executed by one or the other, assuming the works are executed satisfactorily; and it is quite clear that the time for such parties to object would be when the scheme was placed before them; they could object in the first instance before the Referee of the Board of Trade; and if they thought that their objections were not fairly attended to there they could object in Parliament.

330. How could they object to what is not proposed; their objection might be to the tramway being in the hands of speculators, whereas the proposition before the referee would be that it should be in the hands of the local authority; how could they object to any proposition which is not before the referee?—I do not say that the Bill provides for that; they should object here if they meant to object to it.

331. *Chairman.*] As the clause now stands the consent of the Board of Trade is necessary to any such transfer?—Certainly, and that is not proposed to be omitted.

332. If the ratepayers think themselves aggrieved by the substitution of a company for the local authority, they could appeal to the Board of Trade upon the subject?—Certainly.

333. Mr. *Hibbert.*] Would not it be the case that if you carry out that alteration you would be able to obtain a certificate, and to transfer that certificate without ever getting the consent of the ratepayers of the district at all?—Certainly; we are only limiting the proposal made in the Bill, because we do see a very great objection to mere speculators getting the certificate without intending or having power to carry it out, and then trying to sell it.

334. Mr. *Sclater-Booth.*] You wish to retain the power of sale for yourselves?—Yes, certainly, with the consent of the Board of Trade.

Sir *Joseph Heron.*

30 March 1870.

335. *Chairman.*] As I understand you otherwise, the local authority would not be able to devise a scheme and get consent to that scheme without they intended to carry it out themselves?—Yes, certainly, they could not make it at all, unless they had quite made up their mind that, whatever might be the consequence, they were to carry out the works and make the line; and we are very glad to see a provision in the Bill which seems so obviously necessary, but after this certificate has been obtained we may, instead of waiting till the line is made, transfer the certificate to a company to make the line as well as work it.

336. Mr. *Loch.*] Were you in the room when Mr. Denison spoke?—Yes.

337. Did you hear the objections that he urged on behalf of his clients, the owners of coal, and so on, to those lines being placed in the hands of persons who might probably have adverse interests to the coal owners, and use them adversely to those owners?—I did hear that; but I thought the learned counsel had not been quite informed of the contents of the Bill, because his observations were clearly so entirely inconsistent with the whole scope and object of this Bill. The Bill authorises the local authorities to make the line, but positively forbids them to work it. Then there must be a mode of getting the tramways into the hands of other parties to work; I should rather suggest, that they should continue in the hands of the local authorities, but you forbid the local authorities by the Bill to work them, and, therefore, they would become useless to anybody.

338. Mr. *Sclater-Booth.*] It does not follow that the local authorities might not give the preference to one class of carriers over another?—That will arise in connection with the clauses. Our understanding of the Bill has been that this Bill is really for omnibus traffic. I thought that very question, which was put by an honourable Member of the Committee to Mr. Denison, how they were to get on and off the rail, and his stating that he was not prepared to suggest any mode in which that could be accomplished, was almost an answer to the suggestion that really you should run coal waggons upon the rails.

339. Mr. *Ayrton.*] What leads you to suppose that the Bill was merely introduced for omnibus traffic?—Merely as an opinion that I had formed; it may be a very erroneous one; but I think I shall be able to show that our amendments are upon that assumption, and are based upon the clauses that we find in the Bill.

340. Mr. *Loch.*] Shall we hear any opinion of yours as regards the liability of these lines to be used by one trading interest adversely to another?—Yes, certainly; I am quite prepared to go into that; but our assumption is this, I may be quite wrong, but that is our assumption, that the Bill contemplates tramways for omnibus traffic rather than for anything else, and, therefore, there could be no competition except between those that were competing for that kind of traffic.

341. Mr. *Sclater-Booth*] There is a clause in the Bill limiting the amount of luggage that anybody may take?—Yes; and we had added to that clause, believing that that was the intention and object of the Bill, as pointed out by that clause.

342. Mr. *Hibbert.*] Would you see any objection, supposing that your words in the 5th Clause were permitted to require the consent of the ratepayers before any sale took place; that having in the first instance, supposing the amendment in the 4th Clause is carried, obtained the certificate without the consent of the ratepayers, you should require the consent of the ratepayers before any power of sale is put into execution?—It would be quite inconsistent to say that we were prepared to adopt that suggestion, for this reason: if we were right in saying, in the first instance, that the consent of the Council, who are the representatives of the ratepayers, ought to be sufficient, we are right to say that the decision of the Council in the other instance ought to be quite sufficient. The decision of the ratepayers, at any rate in a public meeting, would be an utter farce; but I have no doubt that that will be altered by the Committee, and that if they are of opinion that the consent of the ratepayers is to be obtained in any district, they will prescribe, in some way or other, in what mode that opinion is to be ascertained, probably adopting the plan which is adopted chiefly with reference to the introduction of the Libraries Act. It is very easily arranged; but no doubt the words would refer it to the Board of Trade to determine in what manner that meeting should take place, for that is almost contemplated by the Bill as it stands; but to have a public meeting, where it is to be decided by the majority or by a show of hands, is simply a farce, because there would be no

difficulty

difficulty in getting a meeting, either by those who were promoting the tramway or by those who were opposing it; but it would certainly not represent the deliberate opinion of the inhabitants of the district. I think that every ratepayer ought to have an opportunity of giving his vote, if they are to be asked, even saying aye or no, in such manner and at such time as shall be determined.

343. Mr. *Loch.*] In the event of an application to Parliament would the corporation of Manchester feel bound to consult the ratepayers' views upon the matter?—Certainly not.

344. They cannot petition against any decision come to by the corporation with regard to an application to Parliament?—Certainly not, but under this Bill they would have an opportunity of being heard fully before the Board of Trade as individuals.

345. *Chairman.*] I think the corporation of Birmingham have already the power of laying down tramways, under a local Act?—Yes, they have.

346. Mr. *Dent.*] But they have not power to sell?—No, nor have they power to take tolls, which makes it comparatively of little value, therefore they would avail themselves, to a certain extent (of course wishing their rights to be preserved) of the provisions of this Bill.

347. Mr. *Hibbert.*] Supposing you carried out the power of sale, say after 10 years, you might do that contrary to the wishes of the ratepayers of the town, they would have no influence directly over the corporation, and therefore you might sell the concession for a number of years, against the wishes of the ratepayers of the town?—As far as Manchester is concerned, speaking merely of what the result there would be, we should be perfectly indifferent about a clause being put in, that it should only be with the consent of the ratepayers, if that was the opinion of the Committee, because I am satisfied that it would be really altogether nugatory, and would amount to nothing; but in principle I do not think there is any necessity at all, looking at the general scope and object of the Bill, and at the other clauses, for giving or making the consent of the ratepayers in such a case necessary, any more than there would be to make the consent of the ratepayers necessary to taking any steps whatever under the Bill.

348. Mr. *Cawley.*] Is it not the fact, that you have already power to let tolls and rates to a very much larger amount than you have contemplated here, without ever asking the ratepayers at all?—Yes, certainly. It is opposed to the very principle of a Municipal Corporation to be making the consent of the ratepayers necessary for any act which is authorised to be done by the council. They are supposed to be the representatives of the inhabitants for all purposes, and for all matters which it might be thought proper by Parliament to entrust to them. They ought not to have the power unless they can be trusted, and if they have the power, there ought to be no further appeal to the ratepayers.

349. Mr. *Dent.*] You are decidedly in favour, as I understand, of the power of sale being left in the hands of the local authorities?—Yes, I think it might be exceedingly important to have it, and I cannot myself see what objection there is to it. I think it might be exceedingly convenient to hand over to a responsible company the making of the line, as it would be made entirely under the direction of the local authority, instead of imposing upon the council the duty of making the tramway, which certainly is not exactly one of the objects for which corporations have been constituted.

350. Mr. *Sclater-Booth.*] You observe that the clause does not require that there should be a power of sale, but only the power of assignment or transfer?—I have not looked at it with that view; of course it says that all rights given by a certificate. As I understand, under this clause it would simply be transferring to the company, probably, the duty or the power of making a tramway.

351. Do not you see that the word "sale" involves that the authorities might put up the thing for auction, and they may get thousands of pounds bid which, of course, must be taken out of the ratepayers' pockets afterwards, or out of the travellers' pockets in increased tolls?—It is as if they had been the promoters; by this clause you might hand it over to some other body, and they would be just in the same position "as if they had been specified in such certificate, and they shall for the purposes of this Act be deemed to be the promoters." There is no doubt that it is open to the suggestion of the honourable Member, that it might be put up to auction, and I think that is the very mode in which it is contemplated to let those lines by auction, because, of course, the higher the rent obtained the more goes into the pockets of the ratepayers, and certainly there

Sir *Joseph Heron.*

30 March 1870.

would be no objection to their getting even a considerable sum of money for the concession, for after all, if you look at what the promoters are seeking to obtain, it is a somewhat strong measure to obtain the power at all without making very large compensation to those who have made the streets which they propose without any expense to occupy.

352. *Chairman.*] As the consent of the Board of Trade is necessary, it would be for the Board of Trade to say whether it would not be better, in the interest of the public, that the tolls should be reduced, rather than that a large sum should be handed over to the local authorities?—It would be entirely in the hands of the Board of Trade to say whether the arrangement proposed was satisfactory, and to determine what toll should be taken; this transaction refers to the transfer of the authority to make the line which should arise before the tramway was made, but we could not enter into arrangements with the company without putting all the terms before the Board of Trade, and obtaining their consent.

353. The Board of Trade would represent the more general interests of the public?—Yes, of everybody.

354. And if they thought that a larger sum of money was being handed over to the local authority for this concession, and that it would on the whole be better that the tolls should be reduced, they would refuse their consent?—Certainly not; you see that the tolls are proposed to be fixed by this Act.

355. That is the maximum, but, of course, each individual scheme may contain a lower maximum than that indicated in the Act?—No doubt.

356. Mr. *Dent.*] The object of the local authority getting power to make tramways of this kind is to keep the control in their own hands, I imagine?—One advantage that would result to them, if they were disposed and anxious to make the line, is that they would have the right to determine absolutely through what streets and in what direction those tramways shall be carried with reference to the interests of the public generally.

357. *Chairman.*] This clause, in fact, gives the initiation to the local authority of the whole system of tramways within their district?—Yes, the fourth clause does, and then the fifth is simply additional power given to them if they have been the parties to take the first step.

358. Mr. *Ayrton.*] Do I understand that your amendments have been made with the idea that those tramways are only to be used by omnibuses?—Chiefly so; that has been the understanding, arising from the clauses in the Bill; the Committee will see, when I come to those clauses, how it is that we have been induced, and by what clauses, to come to that conclusion, and why we do not believe that the other scheme is possible.

359. Is it your impression that a tramway constructed under this Bill can only be used by one omnibus company, if I may use the phrase?—I think there would be extreme difficulty in arranging for its being used by any others, because of the difficulty as to whether they can get on or off the line; and even if they could, as some of the schemes propose that they should be able to go off the line in case there was a breakdown, and so on, I really see a difficulty in imagining by what arrangements you can have a line being worked by a number of competing omnibus companies.

360. We may take it that, in your view, there would be but one carrying company for the conveyance of passengers?—I think, practically, that it must be partially, although I will not say to what extent, a monopoly in the hands of one company; I believe that that would be almost necessary, but, of course, I am speaking now rather with reference to the experience that we have had in Manchester, where we certainly have no competing omnibus companies, except that there are different companies occupying different routes, but I do not think that we have many. There are gentlemen in the room that can correct me if I speak wrong, but I do not think that we have any companies that are competing for traffic upon the same routes; they have divided the routes to a certain extent, but the greatest portion of our traffic in Manchester is performed by the City Carriage Company, which is a very wealthy and a very large company, and does the service exceedingly well. I do not think that we shall have much improvement if ever we see those tramways which are being now so much talked of laid down.

361. Mr. *Loch.*] Your proposal, under Clause 5, is that the local authorities shall have the power of selling the concession?—Yes, or rather, we only propose to substitute certain words; it is not our proposal.

Sir *Joseph Heron.*

30 March 1870.

362. The proposal of the Bill is that a certificate having been once obtained should be saleable by the local authority?—Yes.

363. Referring to an answer which you gave a little while ago, do you propose that the local authority shall put them up to auction, and obtain a premium, as it were, for the concession?—No, we have not proposed anything of the kind; it was only a suggestion by the honourable Member that the tramway might be put up to auction to see how much could be obtained for the concession. I do not think it is a very likely case to arise with a local authority. It is quite certain that we should never dream of handing over a concession that we had previously obtained, unless we were handing it over to a company that we thought would do the work as satisfactorily as we could do it ourselves.

364. Mr. *Sclater-Booth.*] Great objection was taken by a witness who appeared the other day, to this power of sale by the local authority, because it was said to open the door to speculation and jobbery?—I thought that the objection was rather an objection to tramways generally, and, like many other suggestions that were made which we should not at all agree in, it went rather to show the difficulties that beset the laying down of tramways at all.

365. *Chairman.*] That is to say, they were rather with the view of limiting the extension of tramways?—Yes, because I cannot see anything whatever in the objection, myself.

366. The Corporation of Manchester, in fact, is interested in works of greater magnitude than this; gas, for instance?—Yes, certainly, we are in the fortunate position in Manchester of having only one local authority for corporation business generally, and everything connected with sanitary matters, highways, gas, water and sewers, we have only one authority to deal with, so that we are in a very advantageous position as far as that goes; much better than many other districts.

367. Mr. *Dent.*] I do not, of course, think that the Corporation of Manchester would be liable to such imputations, but do not you think that the power of sale might lead to a good deal of jobbery?—I do not see how it possibly could, seeing that all those transactions have to be approved by the Board of Trade, and the Board of Trade would not sanction without making due inquiry, any such proposed transfer, especially if there were any suspicious circumstances about it. There is nothing to prevent the Board of Trade sending down an officer into a district to hold an inquiry to see whether there was any objection urged by anybody to the whole transaction. I think that is quite sufficient protection to the public, for I do not think people would be able to get large prices for those concessions, hemmed in as they are by the clauses of this Bill. There has not been much experience; we know nothing at all about tramways yet.

368. Mr. *Ayrton.*] Do your omnibuses have moveable flanges?—No, certainly not, except that on the tramway, which the Committee have heard of in Salford; occasionally they work upon the principle of having a groove in the centre between the two lines, and what they call a guiding wheel which can be lifted up by the driver of the omnibus; when he is on the tramway, which only runs a certain distance, that wheel is dropped down, and it runs in the centre groove and keeps the omnibus in the line, and when he gets to the end of the line he lifts up the wheel, and runs along the streets into the town.

369. That is a tramway proper, is it?—Yes, it is the tramway. We have no tramway except this in Salford at all; we have ordinary railways, of course, but we have not a single tramway of any kind, except this which is in Salford, and which was put down as a sort of experiment, and there is no doubt has not been kept very carefully as far as the roadway is concerned, and is the cause of considerable complaint; in fact, there are gentlemen in this room who can speak from personal experience, as well as myself, that if your carriage gets on to the line, it is very difficult to know when you will get off it, and whether you will get off without your wheel or not. In Clause 7, we propose to strike out the words "or themselves to use the same for public traffic;" that does not alter the effect of the clause, but those words seem to be unnecessary; it is in the clause that "nothing in this Act contained shall authorise any local authority to place or run carriages upon such tramway, or themselves to use the same for public traffic, and to demand and take tolls and charges in respect of the same." The words "or themselves to use the same for public traffic," do not seem to be necessary, and they caused a little ambiguity in the clause.

Sir *Joseph Heron.*

30 March 1870.

370. Mr. *Dent.*] What does "demand and take tolls, and charges in respect of the same," mean; does it mean for their particular carriages?—No, it means, as we understand the clause, simply this, that we are not to be working the tramway, or putting on carriages for which we should take tolls of any kind; I suppose an individual member might ride upon a tramway in his own carriage, if he did not take tolls, and those words seem to lead to a little ambiguity.

371. *Chairman.*] It seems to me that they are not to run carriages upon them, and to charge tolls for the use of those carriages; it may be that the words do not quite carry that out; of course there can be no objection to the local authority putting carriages upon them if they are not to be used for hire or toll?—No.

372. Mr. *Rodwell.*] In Section 7 we put in two words which settle the whole of it; after carriages we put "for profit"?—That would prevent the necessity of the words that follow the word "traffic;" "any local authority to place or run carriages upon such tramway."

373. *Chairman.*] The object was entirely to prevent the local authorities turning themselves into an omnibus company?—Exactly; that was what we understood the clause to be for. After the 35th line we propose to strike out the words "such discontinuance not being occasioned by circumstances beyond the control of such lessees." It appeared to us that that was quite unnecessary, and that if a tramway is practically not used for six months, the clause should take place. Insolvency might be said not to be within their control. With regard to Clause 8, the amendment is merely formal as to the name. We propose to make it, instead of "settle a draft of a certificate," "issue a provisional certificate." Sometimes it has been altered into "order."

374. Mr. *Ayrton.*] With regard to the 7th Section, supposing a bridge over which a tramway was made had to be taken down, and that stopped the use of the tramway, the bridge say between Salford and Manchester, what then?—I consider that that is provided for by a clause which is contained in the Bill, because we can alter a road, or do anything that we have power to do, under our Acts of Parliament; any local authority can, and if it does stop the tramway and stop their traffic, they are to be entitled to neither compensation nor anything else. It is just one of the difficulties that will be constantly arising. I do not know a case where a tramway could exist in a street without being stopped very frequently for the purpose of getting at the pipes in the centre.

375. If you do not leave this proviso in, the whole thing would be frustrated?—No; if there was a bridge built, of course "every such lease shall imply a condition of re-entry if at any time after the making of the same the lessees discontinue the working of the tramway." You see they must discontinue the working of the tramway; they would not discontinue the working of the tramway although there might be an interruption of a few weeks by means of a bridge; therefore, nobody could put that construction upon it; it must be a discontinuance when it was within their own power to have continued. However, that we will leave to the Members of the Committee; they can settle the clause much better than we can. You will determine upon that. We need not say any more. Then I would refer to the clause which we propose to strike out, Clause 9. Our clause is an exact copy, merely altering two or three words, of the clause in the Local Government Act of 1858, which is simply making the provisional certificate necessary to be confirmed by Parliament.

376. *Chairman.*] Do you concur with the other petitioners?—We entirely concur with them that it is protection enough, and a most desirable change in the Bill, because it really shuts everybody's mouth; if they are not satisfied with the decision of the local authority, even if it is approved by the Board of Trade, they have still an opportunity, which is all they could expect without this Bill of being heard by Parliament; but I think that there ought to be something said about costs in the case. I am not instructed in any way by the other authorities; but I do think that the fear of costs, in case a certificate, is without sufficient ground, opposed in Parliament, ought to be before the eyes of those who may choose to do so.

377. You think that parties who have already been heard before the referee, supposing there is a local inquiry, if they appeal to Parliament upon the subject, should be mulcted in costs if the decision is against them?—Yes; that they should have the fear of costs before them if they do not succeed. On Clauses

Sir *Joseph Heron.*

30 March 1870.

12 and 14 we simply propose that they should be struck out, because they are no longer necessary if the alteration is made in the other clause. Then we come to Clause 16, and it is proposed to introduce after the words, "level with the surface of the road," the words, "the rails to be laid down for any tramway shall be of such form and dimensions, and the carriages to be used on the tramways shall be of such width and construction, and the wheels of the carriages shall be of such form and dimensions as shall from time to time be approved by the local authority; and in case of any difference in relation thereto, the same shall be determined by the Board of Trade." I would merely say with regard to that clause that we are anxious that there should be nothing in the Bill to prescribe actually what sort of tramway, or what sort of wheels should be adopted, as nobody seems to agree which is best.

378. Would not you leave that to be determined in the particular case by the local authority with the consent of the Board of Trade?—That is exactly the alteration which I was just reading at the moment; but we do think it very important that the Bill should not say that it should be a grooved line, or a grooved wheel; but leave it open for any improvement that may be made to be adopted if there should be any.

379. Would you adopt the same principle as to the gauge?—Exactly; I do not think that anybody can say what the gauge ought to be.

380. Mr. *Dent.*] Are you against a uniform gauge being defined by the Bill?—Yes.

381. You do not think that there would be an advantage in having the same gauge as a railway?—I do not see any, but it might be so, and if it should turn out to be the case, there would be no difficulty in making it so; but I think there would be an objection to fixing by the Bill a uniformity of gauge; I think everybody must agree that what was said, that we have not yet had much experience about tramways, is perfectly true, and I am sure that the less rigid the Bill may be made in the interests of the public, and the more opportunity there is for discretion being exercised, the better it will be for all parties having the Board of Trade to appeal to in case of difference.

382. But supposing this Act to become operative, and tramways to become very general in rural districts, and that they are to take the place of railways to supply rural districts, do not you think that it would be a great advantage that they should be the same gauge as railways, and that there should be facility to run railway carriages or railway trucks on to those tramways?—I can easily imagine that in such a case it would be so obviously convenient, that there would scarcely be a difference of opinion. On the other hand, if you were to fix the railway gauge by the Bill, that would involve that width in all the streets of Manchester, or any other town through which it might be proposed to take a tramway. The great difficulty and inconvenience which the proposed tramways will have to encounter, will be in towns to find streets of sufficient width to enable them, even with the narrowest gauge which is practicable, to be laid down at all.

383. You think that that might be safely left to to the Board of Trade to determine?—I think it is most desirable that it should not be fixed by the Bill.

384. Mr. *Dalglish.*] You would leave the fixing of the gauge, I suppose, very much to the local authority?—No doubt; and whether it was the local authority or other parties with the consent of the local authority, no doubt they would in the first instance fix the width of the gauge with reference to the particular circumstances of the district through which they were proposing to form the tramway.

385. Mr. *Hibbert.*] You would not object to leave it to the Board of Trade?—No; it is proposed in all cases, so that it all gets back to the Board of Trade. Originally, those arrangements probably would be made in the country, but practically it all comes back to the Board of Trade to settle those knotty questions in case there is a dispute.

386. *Chairman.*] It would be possible, would it not, for the Board of Trade to lay down two gauges, one the ordinary one, and another an exceptional gauge for particular cases?—No doubt in country districts there would be no difficulty if it were in connection with a railway, and I think as a feeder for the railway, it might be very desirable to have the same gauge, but in a town district the question will be how narrow they could make it. But as regards carriages, and

Sir *Joseph Heron.*

30 March 1870.

as regards the gauge, I know that now the very question has arisen even in Liverpool, and now they are to lessen the width of their carriages, but not the gauge, as soon as they can, because they find the difficulty of working the traffic.

387. What is your next amendment?—The next amendment is in Clause 18. We leave out the word "generally," and insert the words "to the satisfaction of the road authority." I do not think that is objected to. Then, in paragraph 3, at line 33, after the word "shall," we insert the words "bear all"; and the paragraph of the clause as we propose it to read is, "they shall pay or bear all reasonable expenses of the repair of the road." Then we put in, "to the satisfaction of the road authority," "for six months after the same is restored," and then we strike out the words "as far as those expenses are increased by the opening or breaking up." We suggest that alteration, because there would be maintenance and repair, and we would even be able to decide how much of the expenses are due to breaking up and opening. Six months would be a short time for them to repair the portion of the road that they interfered with. The Corporation have been bound to keep in repair roads on which there are tramways, more or less, for a year after we have laid them down, and in some places for two years and three years.

388. That is over roads which are not under your control?—It would be a reasonable compromise with the promoters, and a liberal compromise to us, that they shall pay all reasonable expenses of keeping the whole road in repair for six months along which they have laid down their tram, and then after six months' time to keep in repair that portion of the road which belongs to them.

389. Mr. *Dent.*] We had 18 suggested by the road authority?—They did not propose to make them responsible for the whole road; we proposed to make them responsible for six months for the whole road, because it is well known, that after a road has been broken up for any purpose, considerable expense arises in keeping the whole road generally in a satisfactory state; let them keep the whole of the new road in repair for six months, and then they come under the next clause which makes them liable. The only words we propose to add to that clause are in line 36, after the word "direct," to insert the words "And to their satisfaction," and so on.

390. That is a clause proposed in the interest of the road authority?—It occurred to me, whilst the proposition was being made, that the most satisfactory proposition would be, that they should keep the whole of the road in repair in which they laid down their tramways in part, and, practically, it would come very nearly to that. If they were to go three feet on each side it would really become a question of inches, in fact, as to how much is left for the public; there would be so little left to be repaired by the road authority, that it would be better to say that they should keep the whole road in repair along which a tramway went. We have not thought that we could propose to increase the extent that was proposed by the Bill, that being already sanctioned by other Acts of Parliament which have been granted.

391. Is it not desirable that the road authority should be the authority responsible for the whole of the road?—That really is a very difficult question, because in the first place there is great difficulty in leaving one portion of the road to be repaired by the company, and the other portion to be repaired by the road authority; there would be always questions arising, whether the want of repair was really caused by the promoters, or whether it was caused by the road authority, whoever they might be; there is extreme difficulty about it. We do not feel quite disposed to suggest that the road authority should, at the expense of the promoters, keep the whole of the road in repair, because if we were to propose that, and Parliament were to say carry it out, we should then become responsible ourselves, for all those inconveniences and annoyances which many people think are necessarily connected with, and cannot be got rid of, when tramways are laid down in towns; we should then have all that responsibility upon our shoulders. I heard the engineer of the Corporation of London say the other day, when he was speaking very strongly on the subject of tramways, that he believed it to be an utter impossibility to keep a road in a satisfactory state with a tramway, and that it would inevitably be a nuisance to the other traffic. All the responsibility would devolve upon the road authority, if we were, by the Act, made liable to keep the road in repair. I have no doubt that, practically, the working of it would be this, for I do not believe it would be possible for two

bodies

bodies to keep the road in a satisfactory state; and that the working of the Act would probably be that the road authority would agree with the company, or the promoters, to keep the road in repair only as their agents, leaving them responsible for anything which might arise, for a certain specified amount. That, I believe, probably would be the operation of it. Sir *Joseph Heron.* 30 March 1870.

392. The road authority, even if the tramway were made, would be responsible for the part of the road where the tramway was?—The persons who would be the first to bear the blame in case there was any want of repair would be the promoters, who are bound to repair after the tramway is made. This Bill would relieve the road authority from all responsibility, except that of summoning the promoters, and taking steps against them, if they fail to do what the Act of Parliament imposes upon them; but it is quite clear that the legal responsibility would be removed from the road authority.

393. The inconvenience to the general public would be very great, if the road authority are not responsible for that part of the road being kept in good repair, as well as the other part?—This Bill does not make it so.

394. But would it not be better that it should be made so?—I am not at all prepared to say so, for I think it is making us responsible for things over which we have no control, and also making us responsible for contingencies which we believe are inevitable.

395. We have had road authorities before us who rather desired to keep that responsibility; they say that it will be a very inconvenient thing to make a set of rules to repair one side of the road in one way, and to make another set of rules for the other side of the road, and therefore they wished to have the responsibility of the repair, charging the tramway companies with the expense?—If the Bill carries out the suggestion which the honourable Member makes, we could not object, only they would have to take care that there were such clauses put into the Bill as would not indirectly make the road authority responsible for that over which they might not really have any control, although they would be responsible for keeping one part of the road in repair.

396. Mr. *Ayrton.*] Who is to be responsible to the inhabitants for having their roads kept in repair; you have told us that you consider that the corporate bodies, as the representatives of the inhabitants, are bound to look after their interests, but yet you propose to absolve the corporate bodies now from that duty, do you not?—Not in the slightest degree; I propose simply to take the Bill as it is laid before the Committee by other and better authority a great deal than my own. That Bill places the responsibility of repairing the portion of the road which is interfered with by the tramway on the promoters who work the tramway.

397. Mr. *Cawley.*] Is not this the practical working of it; under the Board of Works Act and Gas Acts the responsibility of maintaining the roads for a certain time is thrown upon the parties laying down the pipes, but I do not apprehend that that removes the primary responsibility from the road trustees; the practical working, so far as I know, is, that a charge is generally made to the parties who are responsible, namely the road trustees, but the work is actually done by those who have charge of the roads; is not that so?—That is generally the case; you make an agreement with the road trustees; you make an arrangement to pay or receive a certain sum for the work which is done by others; that is the way we have done for miles of road. We agree with the road trustees to pay so much per annum whilst our responsibility lasts.

398. *Chairman.*] By this Bill, if a tramway is made, the tramway company would be responsible for the portion of the road occupied by the tramway?—As the Bill now stands, clearly.

399. I think that is the effect of the private Acts which have already been passed, is it not?—Certainly, no doubt subject to the suggestion which has been stated.

400. The effect of the existing private Tramway Acts is, that that portion of the road which is occupied by the tramway companies is under the control of the tramway companies, and that they alone are responsible for it, and the road trustees are absolved from responsibility?—No doubt. Of course, as representing the inhabitants, all that we should have to do would be to exercise the power under this Act; to summon, for penalties or otherwise, the promoters, in case they should not do what under the Act they are bound to do.

Sir *Joseph Heron.*

30 March 1870.

401. In the interests of the public you would be able to take proceedings against a private company who has charge of that portion of the road occupied by the tramway?—Certainly.

402. Mr. *Dent.*] But proceedings must first be taken against the road authority?—I am speaking of what would be the duty of the corporation with respect to the inhabitants. This Act imposes a certain responsibility upon the promoters of the tramway which, if they neglect, they are liable to penalties, and the duty of the corporation would be to summon the promoters for the penalties for not keeping the road in a proper state of repair.

403. Mr. *Ayrton.*] Under Clause 19 it is the duty of the road authority, if a tramway company fail to repair a road, to enter and repair the road at its own cost, and then recover the expenses, if they think fit, from the promoters?—That is a power given.

404. If they think fit they may do so?—Clause 19 is this: "The promoters shall, at their own expense, at all times pave and keep paved in good condition and repair, with such materials and in such manner as the road authority shall direct." Here we propose to put in the words, "and to their satisfaction." The clause then proceeds, "so much of any road whereon any tramway belonging to them is laid as lies between the rails of the tramway and (where two tramways are laid by the same promoters in any road, at a distance of not more than four feet from each other) the portion of the road between the tramways, and in every case so much of the road as extends 18 inches beyond the rails of and on each side of any such tramway; provided always that if they fail to comply with the provisions of this section, the road authority, if they think fit, may themselves at any time after seven days' notice to the promoters, open and break up the road, and do the works necessary for the paving, repair, and maintenance of the road, to the extent in this section above mentioned, and the expense incurred by the road authority in so doing shall be repaid to them by the promoters."

405. Having that power, do you not think that the road authority can be indicted for allowing a road to get out of repair?—No, they say "if they think fit," and Parliament would be obliged to say that the discretion is put into their hands, and that they are not bound to do it, unless they do think fit.

406. Mr. *Hibbert.*] Is not your objection to this clause that it leaves two different parties to keep the road in repair at once, namely, the promoter as to one part of the road, and the road authority as to the other part of the road; would it not be better either to make the whole of the road repairable by the promoters, or the whole of the road repairable by the road authority?—I have already stated what appeared to me to be a *primâ facie* objection to that responsibility being cast on the road authority, because, I believe the duty of keeping the road in a satisfactory state on which a tramway exists will be extreme. I believe you will be obliged to have paviors engaged almost from day to day, and from morning till night, in one part of the road or another, and it will be extremely difficult to accomplish the object even with all the care and attention which might be exercised. Then, if the road authority were made to act, although the expense was to fall upon the promoters, they would really be responsible for any possible defect that might arise, and which it was possible, or might happen, that they could not really escape from.

407. Would it not be a very great inconvenience that the promoters of the tramway should repair the road to a certain extent, and the road authority repair it for the remainder?—I have no doubt that practically there would be great difficulty, and, as I have already said, in most places, I think, the arrangement would be just what has been suggested by the honourable Member, namely, the sort of arrangement we make under waterworks and other Bills, where the parties are responsible for keeping the road in repair a certain time, and on arranging to pay a certain sum the road authority do the work, and take the responsibility, as it were, from them. I think that would be the arrangement in places like Manchester; they would agree with those who had to do the paving of the other portion of the street to pay them a certain sum annually for keeping their share of the street in repair, but the difference is this: that the legal responsibility, if any, in an action for damages, or anything of that kind, would still rest upon the promoters of the tramway, and would not be transferred even by that arrangement, to the surveyors or repairers of the road.

408. It might become a question of measurement; as to how many inches it was from the tramway?—That is just where I see the extreme difficulty. I have

no

no hesitation in saying that if any plan could be suggested by which the repair of the whole of the road would be in the hands of one party, it would be a very great improvement, and a very great advantage.

409. *Chairman.*] Will you now go to your next amendment?—In Clause 20 the alteration is merely verbal; it is only making it 7 days instead of 14. I do not think anyone would think that that was wrong. Then in line 28, after the word "water," we propose to insert the words "or gas." Then in Clause 21 we think there ought to be a map. After the word "with," in line 43, we propose to insert the words, "A plan and section of the proposed work, and" so on. That I am sure nobody will object to. We also propose that the 14 days should be made 21. I do not think anybody would object to that, for it seems only a reasonable time to give. The next alteration we propose is in Clause 24, which is the clause that made us imagine that the Bill was only contemplating omnibus or such like traffic. We propose that these words should be added after the word "only," in line 11. Perhaps I had better read the clause as it stands, in the first instance: "The promoters of tramways and their lessees may use on their tramways, carriages with flange wheels, or wheels specially adapted to run on a grooved rail; and, subject to the provisions of this Act, the promoters and their lessees shall have the exclusive use of their tramways for carriages with flange wheels, or other wheels specially adapted to run on a grooved rail. All carriages used on any tramway shall be moved by animal power only." The addition we propose is after the word "only:" "And shall be constructed for the conveyance of passengers, and no goods, articles, or things, other than passengers' personal luggage and parcels, not exceeding 28lbs. in weight, shall be carried in or upon such carriages."

410. In your opinion the Bill ought to be confined exclusively to omnibus traffic?—Yes, it appears to me that this would confine it to omnibuses; that is our opinion, too. We do not think it possible to work goods traffic and omnibus traffic on the same line.

411. But supposing a line were devoted to heavy traffic?—There could be no objection at all, if the heavy traffic were limited to such hours as omnibuses were not running. Omnibuses are running every three minutes in any densely-populated district, where a tramway would be really made to pay, or it would not be worth while to lay it down. The omnibus has to be continually in motion. We should not expect omnibuses to go eight miles an hour, which is quicker than ever we can find them travelling with us; but they go with passengers very quickly. Of course, having coal carts and luggage conveyances going at that rate is impracticable, and then there is this additional difficulty, that the omnibuses do not require to get off the line; it is their business to be on it, and to work on it in some way.

412. The effect of your amendment is rather, that when a line is laid down for omnibus traffic it should be kept for omnibus traffic and no other traffic?—Exactly.

413. Mr. *Dent.*] The effect of your addition is, to limit the operation of the Act of Parliament entirely to the construction of passenger tramways altogether?—Yes, that is the effect of the last amendment which I have suggested.

414. *Chairman.*] But I do not understand that that is your wish?—Not in the slightest degree. We do not want to prevent parties applying for, and obtaining a tramway for goods alone, if they can show any sufficient case for it.

415. Mr. *Dalglish.*] Supposing a line was laid out sufficient for goods traffic as well as passenger traffic, this clause would altogether prevent omnibuses running upon it?—Yes; this amendment, no doubt, does suggest that no line shall be laid down except for omnibuses which should run for the conveyance of passengers. That is what we contemplate.

416. The addition of those words to this clause would prevent the use of a line calculated to run heavy traffic for *omnibi*?—You mean heavy goods, I presume?

417. It would prevent omnibuses running on a line for heavy traffic, supposing a line laid down suitable for heavy traffic?—No, I do not think it would; it would not affect at all the addition of a line laid down for goods expressly. But, probably, it is quite sufficient for me to say, that our feeling is, that these lines are practically for the conveyance of omnibus traffic, and that it is inconsistent to unite heavy goods, such as coal traffic, and other such traffic, with omnibus traffic, because it could not be so worked.

Sir *Joseph Heron.*

30 March 1870.

418. Mr. *Ayrton.*] All you mean to suggest, so far as I understand you, is, that it should be lawful for the President of the Board of Trade to grant a certificate for a line to be used exclusively by omnibuses, and when such certificate shall be so granted, then that nothing but omnibuses shall run upon it?—That is, practically, all that we desire. Of course we do not object in the slightest degree to people asking for and obtaining a certificate for a tramway for the conveyance of goods.

419. Or anything else?—Or anything else.

420. Mr. *Dent.*] But your amendment goes far beyond that?—I am reminded that this is an amendment proposed by Liverpool, Manchester, Birmingham and Leeds. I ought to have said not by Salford and West Derby.

421. Mr. *Dalglish.*] Suppose two railway companies found themselves able, on any of the streets, to make a communication to be worked by horses alone, which would connect their two railways, and they wish to use it for the purpose of moving their passengers with their luggage or other traffic, your clause would prevent them from constructing it?—I have already explained the only object we have in this clause, and if it would prevent carrying out what has been suggested, of course it would require alteration and modification. All we wish is, that if it is an omnibus line, it shall be an omnibus line. If it be granted for goods also, then, of course, there will be liberty to run goods on it.

422. *Chairman.*] Your amendment is framed on the supposition that the Bill contemplated omnibus traffic only?—Certainly.

423. If it deals with other traffic you have no objection?—There would only have to be special provisions with reference to that other traffic. We do not want in the slightest degree to keep off other traffic.

424. What is your next alteration?—The next alteration is in page 14. It is with reference to the licenses. The clause says, "the licenses shall specify the tolls to be paid to the promoters, or to their lessees, by the licensee or licensees, for the use of the tramways." We propose to strike out the words which follow, namely: "Such tolls to be not less than one farthing, nor more than one halfpenny per mile for each passenger carried by the licensee or licensees on the tramway." It is quite clear that those tolls will be absolutely prohibitory. We think that there has been no experience yet or knowledge which would enable a Committee on a Bill to fix the tolls. It is impossible to say what those tolls ought to be. We suggest that they shall be left to be fixed by the Board of Trade, in fact, under this clause.

425. That clause, I think, is taken from the Acts of last year?—I am not aware; but, however, that is a matter which does not so much interest or concern corporations.

426. You think it should be left to the Board of Trade to determine what should be the tolls?—It is quite certain that that clause will prevent the possibility of anybody asking for a license; it is to give licenses to parties where the promoters are not doing their duty. The clause is altogether nugatory; no licensee could ever earn anything; he could not live,

427. What is your next alteration?—The next alteration which we propose is in Clause 31. It is proposed to insert after the word "Act," in line 18, the words "and to the approval of the Board of Trade." It seems to us desirable that these agreements should be submitted to the Board of Trade. Then, in Clause 32, the alteration which is proposed is only to carry out, to a certain extent, the alteration we have suggested with reference to the assent in the first instance. It is using words which will make the consent which is required to apply for a certificate sufficient for this purpose. We propose after the word "authority," in line 27, to leave out the words, "with the consent of the ratepayers in each district (such assent being testified in like manner as consents to the making of tramways under this Act) may," and to insert these words, "in the like manner and with the like consent as is required in relation to the application for a Provisional Certificate." Then, in line 33, after the word "years," we propose to insert these words, "or within such shorter periods in either case as may be agreed upon, the promoters and the local authority may;" and in line 37, after the words "paying the," to strike out the words "value of," and insert "their present actual value of the tramway, and." We also propose to leave out in lines 39 and 40, the words, "and the value of the tramway estimated as a constructed work." Then we propose to have these words added, which would show clearly the principle of valuation, namely, in line 41, after the words

words "to be," to insert the words "fixed without any allowance or compensation being made for goodwill, prospective value, compulsory sale or other consideration whatever."

428. Do you think that the words of the clause, as they now stand, do not sufficiently exclude the goodwill?— We know how high items of compensation in valuations are put, but unless you exclude the use of very positive and express terms we do not believe we could ever carry out valuations without their being edged in in some way or other.

429. You doubt whether the words have the effect of excluding goodwill?—Exactly; we are only anxious to prevent it being a matter of controversy. We are also anxious to have these words in the clause proposing to fix 21 years and then seven years. After the words "21 years" we should wish to insert these words: "or within such shorter periods in either case as may be agreed upon between the promoters and the local authority, may with the Board of Trade," and so on. That is simply in the cases of parties owning property were prepared to say that at the expiration of 14 years they would sell; such an arrangement might be practicable.

430. It is always open to them to enter into a contract, is it not?—I do not know whether it would be when there is an express provision in the Act. We want to take advantage of this clause.

431. Mr. *Ayrton.*] Do you think, in the sale of an undertaking, that the distinction should be kept in view between the parties as owners of tramways and the parties as carriers, and that they should only be able to sell the tramways as owners of the tramways, and not to sell their business as carriers?—I do not think this clause contemplates anything to be done with the traffic.

432. Does it not say, "shall sell their undertaking"?—That is the tramways under this Act.

433. If they are carriers their undertaking is the business of carriers, is it not?—No; the undertaking is the tramway, as we understand the meaning of this provision of the Act.

434. You will find these words in the clause, "all lands, buildings, works, materials, and plant of the promoters"; what do you understand by those words?—That is for the purpose of the tramway; that is the way we understand it. There might be many trades connected with the working of the line. I am only expressing what our understanding of the clause is; that it really is a tramway only. We do not think it would include in any way, directly or indirectly, business of any kind.

435. Or any business carried on by the use of the tramways?—No.

436. You do not understand that the words, "lands, buildings, works, materials, and plant," apply to collateral land, such as houses where horses are kept, and so forth?—It would apply to houses where horses are kept, probably, because they are necessary to the working of tramways. The word "plant" would imply carriages, and might include horses. They might fairly say, "If you buy our tramways you must buy our omnibuses and horses, for they are of no use to us without the tramways." I do not think it would carry anything beyond that.

437. *Chairman.*] It includes the rolling stock which is necessary for the working of tramways?—Yes.

437*. Mr. *Ayrton.*] Then you do contemplate buying all property incidental to the business of a carrier on tramways?—Yes.

438. *Chairman.*] By a previous clause of the Act the local authority are forbidden to work the tramway themselves, therefore if they purchase all the rolling stock and horses and carriages it would become a very expensive affair?—They could only buy them to sell again. I am not very hopeful about it. There is no inconsistency in it. There is a piece of property which they cannot use for the same purpose as those who preceded them, but they can sell it again. They would only be buying for the purpose of taking up the line, if they found it was undesirable to sell it to somebody else who was to carry on the business.

439. They might buy it for the purpose of enabling them to reduce the fares?—Exactly.

440. Mr. *Dent.*] How are they to reduce the fares unless they work the line themselves?—They might sell it to somebody else on certain conditions, one of which might be that they will only charge such and such fares.

440*. *Chairman.*] Or having the power of purchase, they would be able to sell

Sir *Joseph Heron.*

30 March 1870.

it to a company and be able to provide for a reduction of the fares?—If they were to purchase it against their wish.

441. Mr. *Ayrton.*] Have the corporate bodies for whom you speak considered this question; are you able to speak on behalf of the councils of the corporate bodies on this point, whether they think it desirable that they should have the right of purchasing the tramways alone, or whether that purchase must necessarily be encumbered with the purchase of the business of the company as carriers on the tramways?—I am speaking, I believe, the opinion of the corporations whom I profess to represent; they are represented by their town clerks, and they are represented by members; they have been in London when all these points have been considered and discussed. Of course my answers to many of the questions which I have been asked must only be taken as my own opinion, but as far as the amendments show the wish and desire of those corporations, those amendments may be taken as the opinion of all.

442. *Chairman.*] Have you examined the Private Acts of last year by which tramway companies were established?—Not very carefully.

443. Are you aware that this clause is the same as clauses in those Acts, with the exception that goodwill is excluded?—Exactly; I believe the same clause has been introduced into all the Private Bills that have been adopted as affecting Manchester and other places.

444. They have all included goodwill in plant and rolling stock?—They have.

445. Mr. *Dent.*] Suppose the case of a company having constructed a tramway, does this clause enable the local authority, at the determination of 21 years, to compel the promoters to sell not only their tramway but their rolling stock?—I take it that it does, but I think it would be very unreasonable if it did not. If you take power to compel them to sell the tramway, I think as a matter of justice you should buy everything of them which is required for using and working the tramway.

446. I am supposing the company do not want to sell their plant; does this clause give them power to buy compulsorily, whether the promoters wish it or not, not merely their tramway, but to buy the horses and carriages which they may have, in order to run on their tramway?—I look upon it rather as an obligation which must follow upon that, but if it is thought desirable to exclude anything of that kind, if the promoters or corporation wish it, I do not suppose the local authorities would have the slightest objection; but it appears to me, that if you want to have powers compulsorily to buy tramways, you ought to be compellable to take, with the tramways, the omnibuses, horses, stables, and everything which they have erected for the purpose of working the tramways.

447. Mr. *Ayrton.*] That assumes always, that the promoters are to have the exclusive use of the tramways on the theory which you have previously mentioned?—Yes.

448. *Chairman.*] On the supposition that the concession has been given to them on that principle?—Yes.

449. You think it would be reasonable to frame the clause in that way, if required by the promoters?—I have assumed that that would be so obviously; they would say, if you take the tramway, you must take everything that we have provided for working it.

450. Mr. *Ayrton.*] You consent to that view, provided your theory is adopted?—Exactly.

451. *Chairman.*] What is your next amendment?—We propose in Clause 33 striking out the words beginning in line 12. "Such discontinuance not being occasioned by circumstances beyond the control of the promoters." After Clause 35, we propose to add Clause 35A, which is that "Every passenger travelling upon the tramways may take with him ordinary luggage, not exceeding 28 lbs. in weight without any charge being made for the carriage thereof." That is a clause which is taken from the Liverpool Tramways Act; then we propose to add Clause 35B, "A list of all the tolls and charges authorised by this Act to be taken, shall be exhibited in some conspicuous place inside each of the carriages used upon the tramways." Those are two new clauses, which you will find at the bottom of page 16, taken from the Liverpool Tramway Act.

452. Mr. *Dent.*] Would not 35A rather be for each separate Act, than for a general Act?—These provisions must be in the Act; you are making all similar provisions. As I understand, it is only proposing that parties shall not be charged

charged for a moderate quantity of luggage. They might say, we will not take it until you pay an extra charge. With reference to Clause 36, I may be allowed just to state, that as far as Manchester and Salford are concerned, all we propose to add to Clause 36 are these words, "And a copy of all such bye-laws shall, within seven days after the same have been sent to the Board of Trade, be delivered to the local and road authorities." My learned friend, the Town Clerk of Liverpool, wishes to suggest a clause in addition, which, with the Committee's permission, I willl eave him to explain the object of. What is proposed in lieu of Clause 36 is this: "It shall be lawful for the road authorities, from time to time, to make such regulations as to the rates of speed of, and the distance to be observed in travelling between, and the stopping of carriages using the tramways, and for regulating the travelling upon or using and working of the tramways and carriages running thereon, and the street traffic in the streets in which the tramways are laid, and for better enforcing the observance of all or any of such regulations, it shall be lawful for the road authority to make bye-laws for all or any of the aforesaid purposes, and from time to time to repeal or alter such bye-laws and make others, provided that such bye-laws be not repugnant to the laws of that part of the United Kingdom where the same are to have effect, or to the provisions of the Act." 36A is a very important power, which I hope it will be thought desirable to give. "The local authority shall have the like power of making and enforcing rules and regulations, and of granting licenses with respect to all carriages using the tramway, and to all drivers, conductors, and other persons having charge of or using the same, and to the standings for the same, as they are for the time being entitled to make, enforce, and grant with respect to hackney carriages, and the drivers and other persons having the charge thereof, and to the standings for the same in the streets and district of or under the control of the local authority." The fact is, that unless we can license the drivers and conductors of omnibuses it is a great inconvenience. In Manchester we have not the power to license the drivers and conductors of omnibuses; in other towns they have the power, and we have found a difficulty arising from the want of that power. It is not so much for the assistance of the managers in keeping order with their drivers, as the public, who are so much interested. We think we should have power to license them.

453. *Chairman.*] And that no other persons should be employed on the carriages?—Yes; so that we should have some control over them.

454. What is your next amendment?—In Clause 44, after the word "any," we propose to insert the word "petroleum." Clause 45, it is suggested, should run thus: "If any person (except under a lease from or by agreement with the promoters or under license from the Board of Trade, as by this Act authorised) uses the tramway, or any part thereof, with carriages for the conveyance of passengers for hire having flange wheels or other wheels specially adapted to run on a grooved rail, such person shall for every such offence be liable to a penalty not exceeding 20 *l.*, leaving out the words 'over and beyond any tolls which may be payable by him or them under this Act.'" We propose to strike out the words "an edge rail," which, it is thought, is very objectionable.

455. Supposing an omnibus without a flange wheel using one of these tramways habitually for the purposes of traffic, what is there to prevent them doing so?—You cannot prevent them; that of course would depend somewhat on the form in which the Bill leaves the Committee; but the understanding is that whether they are public or private carriages having an ordinary wheel not specially adapted for running on tramways, they should be allowed to use the tramway if possible.

456. And supposing they are specially adapted and in the form that the omnibus company has tried, with wheels for the expressed purpose of using the tramways, although not flange wheels, do you think there is anything to prevent them?—I do not think this will affect it. I think that very question is now being raised before the Vice Chancellor in the case of Liverpool.

457. Mr. *Sclater-Booth.*] Was that the case of an omnibus specially adapted to running on a tramway?—In Liverpool they have altered the gauge of their carriages; they put an omnibus on the line in front of the omnibuses belonging to the promoters of the tramway, and they ran before them, and probably will run at lower fares.

458. *Chairman.*] The horses have learnt to hug the rail, so that they use it very much?—They have as complete a use of the tramway as if they were specially

Sir *Joseph Heron.*

30 March 1870.

cially constructed for running on it subject to the liability of occasionally getting off the line.

459. Mr. *Sclater-Booth.*] They have no guide wheels?—They have got no guide wheels, but they can run on the tramway, and are doing so. That is the question which has arisen. The town clerk of Liverpool will be able to give you information upon that. I believe that is the question which has been raised before the Vice Chancellor.

460. Mr. *Ayrton.*] All this will depend on whether they use the tramway, properly so called, or a sunk or case railway?—Yes; it will depend on what is in the Bill. The Bill proposes to exclude carriages with wheels prepared specially for running on tramways.

461. Any private carriage or cart could run upon any ordinary tramway?—Yes, that is the question that is now to be determined, because in those cases the rights of the public are not to be in any way interfered with, so that the public may have the same use of the tramways as those who have gone to the expense of making them.

462. On a case rail any person could not run?—No.

463. *Chairman.*] What is your next alteration?—In Clause 49, there is rather an important amendment; I do not think it is one which can possibly be objected to. The clause as it stands is, "Nothing in this Act shall take away or affect any power which any road authority has by law to widen, alter, or improve any road." We propose that it shall read in this way, "Nothing in this Act shall take away or affect any power which any road authority may have by law to widen, alter, or improve any road, and in any case where any street shall be widened, the road authority may, at the cost of the promoters, remove any existing tramway, and lay down the same in such altered position in the street as shall, in the opinion of the road authority, be desirable." A road might sometimes be doubled in width, and it might be very necessary or desirable to go to it.

464. Mr. *Dent.*] Should not that be done at the cost of the promoters?—No, because according to the principle of this Bill, they are subject to the liability of their tramway being interfered with at their own cost and expense, in case it is necessary for the purposes of the public, because they get enormous advantages by being allowed to use the streets, and certainly the public ought not to have cast upon them extra and additional expense in consequence of tramways being there in carrying out necessary works. We should like to see the words in Clause 51, "save as in this Act provided," struck out. It should read, "Nothing in this Act shall take away or abrogate the right of the public to pass along or across every or any part of any road along or across which any tramway is laid, whether on or off the tramway with carriages having ordinary wheels." We think the words "save as in this Act provided" seem to assume that the right of the public is interfered with. I fancy that is not intended, and we are desirous that there should be no possible controversy on that question.

465. Mr. *Ayrton.*] Whether it is a tramway, or whether it is a railway, it must be so laid down that an ordinary carriage can drive on the road without injury, and that horses can go along without being tripped up?—Certainly: that is our wish and our desire, but I can say that we have no very strong expectation of its being realised. That is certainly our opinion that the rail, whatever it may be, shall be level and flush with the rest of the road.

466. Your view is that that should be the right of the public, to be enforced against the company, and if they do not perform it, that it shall be at their own peril, because that might lead to mischievous results?—There are two or three clauses that I hope will in some way be put in. There are no powers by this Bill to get rid, under any circumstances, of a tramway which has been once laid down. We think it really extremely important that a similar clause to one contained in a Metropolitan Act, as to the removal of tramways, if after three years, or within three years, they are found to be an absolute nuisance, shall be inserted in this Bill, and that there shall be the power of getting rid of them, and that we should not be obliged to endure that nuisance for at least 21 years, if they once get possession of our streets.

467. If they fail to fulfil what you have described?—Exactly; the clause to which I refer is the 37th Clause of 32 & 33 Vict. c. 101, which is the North Metropolitan Tramway Act, 1869, the title of which is, "An Act to authorise the Construction of Street Tramways in certain Parts of the Metropolis North of the River Thames, and for other Purposes." The clause is a very lengthy

lengthy one; but all we desire is, that there shall be the means under the Act of getting rid of a tramway in case circumstances should arise to warrant it.

468. *Chairman.*] Perhaps you will hand the clause in?—Yes. (*The Witness handed in the same.*)

469. Mr. *Sclater-Booth.*] You think those clauses are sufficient for the purpose?—I think they are; we think the fact is one that should be recognised. Then there is another point which is rather important, although the clause is very short. Something has been said about not paying the full rates, and the introduction of a clause from the Local Government Act was suggested; we should be very sorry to see that clause introduced. We do not think that it is in any way necessary to be connected with the Bill, that is to say, making them liable to a quarter of the rates, or something of that kind. I did not exactly hear what was the object of the clause, but we think "the promoters or lessees having such exclusive user of tramways" (and it is so considered by this Act) "ought to be assessed as occupiers thereof to all parochial and municipal rates." We are liable to rates for going under the streets, and we certainly do think that if ever there was a case for making the occupiers of these tramways, or making anybody liable for rates, it is the occupiers of a portion of our streets for the purposes contemplated by this Bill.

470. *Chairman.*] Would not that be so without any provision?—I do not think it would.

471. Mr. *Ayrton.*] Would it not be so if they were exclusive of the occupiers?—That would be a question.

Mr. *Rayner* (the town clerk of Liverpool) stated that the question had already arisen whether they were assessable or not to any rate whatever.

The *Witness.*] We think it ought to be clearly stated in the Bill that they shall be liable to all rates.

472. Mr. *Dalglish.*] How would you value the property?—There would be no difficulty at all in that; it is only what it is worth to let. Supposing the local authority had made the line, the very terms would to a certain extent determine the value of the property as far as regards stables, and everything of that kind, there would be no difficulty.

473. Mr. *Sclater-Booth.*] If you make them pay, we will say one-third of the cost of repairing the street through which they go, by the terms of the agreement do you think it would be fair afterwards that they shall be rated generally?—I think so decidedly, because it would reduce their liability; they would be able to show that under the Act they were subject to certain annual expenses in repairing the streets, and that the traffic was only worth so much per annum to let, and therefore their liability would be reduced *pro tanto.*

474. *Chairman.*] The traffic would be taken into consideration with this property?—With all the legal liability imposed on it by the Act in fixing the rateable value.

475. Mr. *Cawley.*] If it belonged to the local authority it would be a matter of indifference whether they were rated or not?—Certainly.

476. *Chairman.*] But if in the hands of a company for beneficial purposes, then there would be very little doubt that it would, without any clause to that effect, be liable to rates?—I am not quite sure whether questions might not arise as to the nature of the occupation of the company of a tramway; but, assuming that it is clearly agreed that they are and ought to be liable, we should much prefer that it should be distinctly stated in the Act, so as to prevent any litigation arising, because certainly there would be litigation as to their liability if it were not so expressed.

477. Mr. *Hibbert.*] I see you propose to strike out these words at the end of the schedule, "which is not assessed to the county rate of any county by the justices of such county." To make that definite that ought to apply to all cases?—To all places like Salford. It is evidently an oversight to put those words in; in fact, it would exclude a large proportion of the corporations, for it is only where there is a court of quarter sessions existing that the borough would be included. It is obviously a mere clerical error, and those words, "which is not assessed to the county rate by the justices of such county," should go out. I will now read a clause which we think ought clearly to form part of this Bill: "Provided always, that the Board of Trade may, if they think fit, dispense with any such consent

Sir *Joseph Heron.*

30 March 1870.

consent as aforesaid in any case in which, upon inquiry, it shall appear to them that the consent of the local or road authority is unreasonably and without sufficient ground upheld or refused."

478. *Chairman.*] I suppose that is with a view to getting rid of the opposition of a particular bridge or road authority which intervenes in the middle of a scheme?—Yes. Then there is a clause which is suggested by the town clerk of Liverpool and others; it is called Clause 4 A: "Where it is proposed to lay down a tramway through three or more districts of local authorities in which the termini are situate consent to the granting of a Provisional Certificate, and one or more of the intervening local authorities object thereto, the Board of Trade may, if they are satisfied, after inquiry, that such consent is unreasonably and without sufficient ground withheld or refused, grant a Provisional Certificate, notwithstanding such objection."

479. This clause has a more limited operation than the one you have already proposed on behalf of Manchester?—Certainly.

480. Will you explain to the Committee your reasons for proposing this clause?—My reason is simply this: it appears to me that unless that power exists the Bill will be practically inoperative. There is scarcely an instance where a tramway would not go through the district of several local authorities of one kind or another, and it would be quite open for any one of those to negative the tramway, and there would be no remedy; and, in fact, instead of the Bill doing what everybody hopes it will, putting an end to a good deal of private legislation, except that it would go through the House as a matter of form, it would involve the necessity of a private Act of Parliament for every Bill that was proposed. So far as the corporations are concerned, we feel strongly, and we cannot state it too strongly, that if an authority which represents the inhabitants is against a tramway, that that tramway ought not to be authorised for them by anybody. We believe that that view would be taken, if the circumstance arise, by the Board of Trade. We hope so, at any rate. The difficulty we have is simply this, that if the Board of Trade are to have the power to grant a certificate if any local authority refuse, we do not see upon what principle it could be proposed to give them power to override one without giving them the power to override all, in case of need; because we feel this, that if we object we should be able to satisfy the inspector of the Board of Trade when he came down that we had good ground for our objection, and that he would confirm that objection. On the other hand, if we were unreasonable, and without sufficient ground refused to grant a certificate, of course we ought to be open to revision; but I do not see why we should expect the Board of Trade should say, without rhyme or reason, that there should be no tramway, without allowing anybody else to say that there should.

481. Mr. *Loch.*] The result would be that persons who were objecting, and whose objection was overridden, might appeal to the House?—They would all be in the same position, with this difference, that they would go to Parliament without having the advantage which might result under the Bill. Supposing the local authority objected strongly, and supposing, for instance, at Manchester the inhabitants were all against it, and the Board of Trade granted a certificate, we should no doubt feel that in a case like that we should be justified in coming before the House, petitioning against the Bill, and going before a Select Committee. We should expect that if we showed that the inhabitants were really against tramways, that the Bill would not be imposed on us.

482. *Chairman.*] If a system of Provisional Orders were adopted instead of a certificate, as proposed in the Bill, and an appeal to Parliament, do you think that the local authorities would have ample opportunity of presenting their cases, and that no hardship would be inflicted?—In any case where there was a decision given hostile to the local authority, I think it important that an opportunity should be given them of being heard by Parliament. On the other hand, there might be cases where the opposition of a little district through which a tramway might have to pass would render it nugatory.

483. For instance, a single bridge company might prevent the operation of the whole scheme by refusing to allow the tramway to cross their bridge?—Yes; in fact, anybody might.

484. Mr. *Loch.*] You want to guard against a capricious and vexatious objection?—We simply want to make the Bill workable. The town clerk of Liverpool is a little more rigid than I am in insisting on the veto of the corporation; I propose

propose that the veto shall not prevail in the case suggested by the clause. I believe our clause is very much to the same effect, because I do not believe it would have any operation except in such a case as is really contemplated by that clause. The objection to that clause on the part of Liverpool and Leeds is that it is really overriding the large towns. We do not propose that by our clause to override anybody, it is applicable to all alike. What the Committee have to determine is simply this, whether the Bill, which professes to be for a certain object, is to go out of their hands, with power, in any case, for anybody, by simply refusing their consent to make the Bill nugatory.

485. Mr. *Ayrton.*] The difference between your clause and the clause proposed by the town clerk of Liverpool is, that everybody can be overridden alike by the Board of Trade, whereas by the Liverpool clause, Liverpool can never be overridden, but everybody else can be for the benefit of Liverpool?—At any rate, as Liverpool happens to be a terminus, the termini must be agreed upon. If the termini are agreed upon, half-a-dozen small districts, such as are suggested by the honourable Member, may be overridden.

486. Liverpool is a terminus, therefore, practically, it does reserve to Liverpool power which it does not reserve to anybody else?—It must always be a terminus.

487. There is nothing beyond Liverpool to go to except the river?—No; I hope the Committee will allow the town clerk of Liverpool to say a few words because we have gone through the clauses together, and we wish to save your time as much as possible.

488. Mr. *Cawley.*] I wish to ask you one question with regard to rating; I think you stated that you had not heard the clause that was asked for yesterday, as to rating on behalf of the railways; it was stated that in respect of any payment arising from the tramways, they were to be rated one-fourth?—As far as I understood it, I own it seemed to me to be so remote, that I did not think the clause had anything to do with this Bill. There is power given, under certain circumstances, for the corporation or the local authority to borrow money, and to secure that money upon the rates. I think the suggestion was, that in any rates that might become necessary in consequence of that borrowing, in some way or other the clause in the Local Government Act, which provides that railways are only to be rated to a certain amount, should be brought into operation. As far as we are concerned, we object strongly to the extension of that class. It only applies to certain rates of a particular kind, and does not apply in any case to a borough rate, which would be the only security that could be given, or would be given. In some cases the borough rate would be the security for any money borrowed, but we should strongly object to the extension of the operation of that clause. I may say that at this very moment there is an agitation going on amongst the local authorities for the repeal of that clause of the Local Government Act, as being a very unfair clause with reference to the ratepayers.

489. *Chairman.*] Have you anything else to add?—There is a clause that is proposed, "Saving of powers of the Liverpool Tramways Act, 1868. Nothing in this Act contained shall take away, abridge, prejudice, or affect the powers, rights, and privileges, vested in, or conferred upon, the mayor, aldermen, and burgesses of the borough of Liverpool, or the Liverpool Tramways Company (Limited), by the Liverpool Tramways Act, 1868, with respect to the tramways by that Act authorised to be constructed."

490. There is nothing in this Bill which interferes with any actual powers that they have?—No; then this clause is proposed: 53B. "Where in any district the local authority shall have already obtained power under an Act of Parliament to lay down tramways in their district, such power shall entitle such local authority to a certificate under this Act, which certificate shall be final and conclusive, without the necessity of confirmation by Parliament."

491. The effect of that is to give them a great deal more than they have got under their Local Act; under their Local Act they have power to lay down the tramway, but not to charge toll for it?—I must say that that is a clause for which the town clerk of Birmingham is entirely responsible, and it would save time if you would allow him now to say what he has got to say upon it.

Mr. *E. J. Hayes*, called in; and Examined.

Mr. *E. J. Hayes.*
30 March 1870.

492. *Chairman.*] YOUR case is simply this: that you have power to lay down tramways under your Local Act, and you wish that to be interfered with in no way?—Further, we have the power also by bye-laws to make regulations for the prevention and removal of obstructions in the street, regulating all the traffic, the regulating of taking up and setting down of passengers, and the loading and unloading of carriages, and regulating the use of towing-paths. What we want is, that those powers should be continued, but that we should also have the power of taking toll, which this Act confers.

493. You want that power without the confirmation of Parliament?—We have already been to Parliament, and we consider it most unjust that Birmingham should be bound to go a second time; we thought it proper that that application should be made to Parliament, but we think it very unjust that two applications should have to be made by Birmingham; it is very costly.

494. Mr. *Ayrton.*] You got what you applied for?—Yes.

495. *Chairman.*] There is nothing in the Bill which is now before the Committee, which prevents your exercising your powers under your Local Act of laying down a tramway, but not of charging tolls for it?—The reason that the corporation of Birmingham have felt themselves unable to lay down tramways has been that there is no power to take tolls or to borrow money for the construction of tramways.

496. You have got your Private Act, and you can work under it, and if you do not think fit to do so, you can apply for a Public Act?—We say that, having once had to expend money in order to obtain money to lay down tramways, and having got that power, we are an exceptional case, and ought not to be obliged to go to Parliament a second time.

497. You can use the powers you have got; there is nothing in this Act to prevent your using the powers which you have got?—We have no power to take tolls.

Sir *Joseph Heron*; further Examined.

Sir *Joseph Heron.*

498. Mr. *Cawley.*] THERE is one question I should like to ask you with reference to the bye-laws; is it not necessary in any regulations or bye-laws to be made under this Act, that they shall apply not only to the traffic on tramways, but also to the traffic using the streets generally?—With respect to the bye-laws, that is a point on which the town clerk of Liverpool wishes to speak. By Clause 36, the promoters have power by the Bill to make bye-laws, but the bye-laws are confined to these matters, "for preventing the commission of any nuisance in or upon any carriage, or in or against any premises belonging to them; for regulating the travelling up, the user and working of such tramway, and generally for the protection of such tramway, and the prevention of any injury to or interference with the authorised user of the same." But then the clause adds, "No such bye-law shall have any force or effect until two calendar months after a true copy of such bye-law shall have been laid before the Board of Trade, unless the said Board shall, before such period, signify their approbation thereto. Then all the power that the local authority possesses with reference to the regulation of the traffic of the streets, is preserved, or intended to be preserved by, I think, Clause 50. The only question about which we had a difference of opinion was, whether the bye-laws to that limited extent should be made by the local authority, or whether they should be made by the promoters.

499. Bye-laws made by the local authority are at present confirmed by the Secretary of State for the Home Department?—Bye-laws made by municipal corporations are confirmed by the Secretary of State for the Home Department.

500. Then there might be a clashing of one set of bye-laws, to be confirmed by the Board of Trade, with another set to be confirmed by the Home Office?—There are no bye-laws proposed by the Bill to be made by the local authority.

Sir *Joseph Heron.*

30 March 1870.

authority. At present, what is proposed by the Bill as it stands, with reference to bye-laws is, that the promoters may be the local authority, and they may have power to make bye-laws with reference to certain matters.

501. Mr. *Ayrton.*] In the same manner as the present Railway Acts authorise railway companies to make bye-laws with reference to certain matters?—No doubt; but there is this difference between them, and it is a great difference, that railways are within their own land, and quite distinct from the public, where, as in this instance, they are in the middle of the streets. No doubt there would be a convenience if all the bye-laws were made by the local authority. I will leave the Town Clerk of Liverpool to say what he thinks necessary upon that point. There are many local boards, and if they were all to make bye-laws, different bye-laws might be made for each district.

Mr. *Joseph Rayner,* called in; and Examined.

Mr. *J. Rayner.*

502. *Chairman.*] You are, I believe, the Town Clerk of Liverpool?—I am.

503. Have you any amendments to propose in this Bill?—The first point is a minor point, that some of the corporations think that the same principle should be observed in giving a consent as is required by the Municipal Act for bye-laws, and under some local Acts for other matters, which is, that two-thirds of the members shall be present.

504. Otherwise you agree with what Sir Joseph Heron has stated?—Yes. I think the next point in order is the question of certificates; that is a point on which some of the corporations attach very great importance. Clause 36 enables the promoters to make bye-laws, "For preventing the commission of any nuisance in or upon any carriage, or against any premises belonging to them; for regulating the travelling upon the user and working of such tramway, and generally for the prevention of such tramway and the preventing of any injury to or interference with the authorised user of the same." What we propose instead of that is this: "It shall be lawful for the road authorities from time to time to make regulations as to the rates of speed of and the distances to be observed in travelling between and the stopping of carriages using the tramways, and for regulating the travelling upon or using and working of the tramways and carriages running thereon, and the street traffic in the streets, in which the tramways are laid, and for better enforcing the observance of all or any of such regulations, it shall be lawful for the road authority to make bye-laws for all or any of the aforesaid purposes, and from time to time to repeal or alter such bye-laws and make others, provided that such bye-laws be not repugnant to the laws of that part of the United Kingdom where the same are to have effect, or to the provisions of the Act. No such bye-law shall have any force or effect until two calendar months after a true copy of such bye-laws shall have been laid before the Board of Trade, unless the said board shall before such period signify their approbation thereof. And a copy of all such proposed bye-laws shall, within seven days after same have been sent to the Board of Trade, be delivered to the local and road authorities." That is following a clause in the Liverpool Tramway Act.

505. Have you found any difficulty arising in the working of tramways?—We have only recently opened the tramways, but they submit themselves to the corporation.

506. Have you power to make bye-laws for the tramways?—Yes.

507. Is that part of the Liverpool Tramway Act?—Yes, it is Clause 64, which is as follows: "It shall be lawful for the corporation from time to time to make regulations for fixing the times of departure and arrival, and the rates of speed of and the distances to be observed in travelling between and the stopping of carriages using the tramways and for regulating the travelling upon or using and working of the tramways and carriages running thereon, and the street traffic in the streets in which the tramways are laid; and for better enforcing the observance of all or any of such regulations, it shall be lawful for the corporation to make bye-laws for all or any of the aforesaid purposes, and from time to time to repeal or alter such bye-laws and make others: providing that such bye-laws be not repugnant to the laws of that part of the United Kingdom where the same are to have

Mr. *J. Rayner.*

30 March 1870.

effect, or in the provisions of this Act; and any persons offending against such bye-law shall forfeit for every such offence any sum not exceeding 5 *l.*, to be imposed by the corporation in such bye-laws as a penalty for any such offence; and every such penalty shall go and belong to the corporation."

508. *Chairman.*] According to your experience of Liverpool, there was a necessity for such powers?—Certainly there was a necessity for them.

509. Are there any other points which you wish to bring before the Committee?—There is a saving clause in the Liverpool Act which was assented to by the solicitor of the Liverpool Tramway Company; it is a saving clause.

510. Is there anything in the Liverpool Tramway Act which affects this Bill?—Yes, there are two clauses; first of all, there is the absolute power to take up the tramway within a limited time, namely, five years. That is clause 72 of the Liverpool Act, and is as follows, "If the corporation within five years from the completion of the tramways respectively, or of such parts thereof as shall be completed within the respective times limited by this Act, shall at any time, or from time to time, by resolution determine that all or any of the tramways of the company, or any part thereof, respectively, shall be discontinued and ought to be removed, the corporation may give notice to the company requiring them to remove such tramways, or tramway, or part of a tramway, as is specified in the notice; and the company shall within three months after the notice so given remove the same tramways, or tramway, or part of a tramway, and make good the street to the satisfaction of the engineer of the corporation; and if the company do not within such three months remove such tramways or tramway, or part of a tramway, and make good such street as aforesaid, the corporation may (without prejudice to any other remedy against the company) remove the tramways or tramway, or part of a tramway, and make good the street as aforesaid; and may sell all or any part of the materials removed, and out of the proceeds of such sale reimburse themselves their expenses relative to such notice, removal, and sale, and making good the street and consequent thereon (rendering the overplus, if any, to the company), and the unpaid residue of such expenses shall be paid by the company to the corporation, and shall be recoverable from the company by proceedings in any court of competent jurisdiction: Provided always that as regards any tramway, or any portion of a tramway, which prior to the giving of such notice shall have been opened for traffic, no notice of removal shall be given by the corporation before the expiration of 18 months after the opening thereof: Provided further, that if at any time hereafter the Company shall discontinue the reasonable working of any tramway, or part of a tramway, for six calendar months, the corporation shall be at liberty to remove such tramway, or part of a tramway, without notice to the company, and the expense of removing such tramway, or part of a tramway, and reinstating the street, or streets, shall be made good by the company to the corporation, in like manner as is hereinbefore provided with respect to the removal of a tramway, or part of a tramway, within five years from the completion of the lines respectively, and that if any difference shall arise between the corporation and the company as to whether the company have discontinued the reasonable working for the period aforesaid, the difference shall be settled by arbitration, under the provisions of the Railway Clauses Consolidation Act, 1843, with respect to the settlement of disputes by arbitration."

511. Mr. *Ayrton.*] Would this Act override the Act already passed?—Yes. In consequence of the clause put in in compliance with the Standing Order, which is Clause 75 of the Liverpool Tramways Act, and which is to this effect: "Nothing herein contained shall be deemed or construed to exempt the tramways from the provisions of the general Act relating to tramways now in force, or which may hereafter pass during this or any future Session of Parliament." I would refer to those two clauses as applicable to this Bill.

512. *Chairman.*] On what terms had they the power to buy up the tramways?—The Town Council had the power without any premium upon a compulsory sale, and without reference to any prospective value.

513. What was the premium?—It was 30 per cent.

514. And no money for the good-will?—No money for the good-will; they are simply negative words.

515. How soon was the purchase; was it after 11 years?—It was within 11 years. The clause with reference to the purchase by the corporation is Clause 70 in the Liverpool Act. "In case the corporation shall at any time within

11 years

11 years after the passing of this Act desire to purchase the tramways, and the roads and materials connected therewith, and any lands or building acquired for the purposes of this Act, and shall apply to Parliament for powers so to do; and to enable the company to sell the same, the company shall not object to or oppose such application, and shall assent thereto and do all things necessary and render all needful facilities for obtaining such powers; and in the event of such power being obtained shall accordingly sell the said tramways and premises to the corporation, and the terms of every such purchase shall, failing agreement between the corporation and the company, be determined by arbitration in manner provided by the Lands Clauses Consolidation Act, 1845, for the settlement by arbitration of questions of disputed compensation: Provided always, that in determining the amount to be paid by the corporation for such purchase, the then actual *bonâ fide* value of the purchased property (exclusive of any compensation for good-will, premium, compulsory sale, or other consideration whatever) shall be ascertained in the first instance, and to such value there shall be added as compensation for good-will, premium, compulsory sale, and every other consideration, 30 per centum on the value so ascertained: Provided also, that if the corporation so purchase the company's tramways the company shall be entitled to require the corporation also to purchase all the carriages and rolling stock of the company for the time being used by them on the tramways so purchased; the terms of such purchase, failing agreement between the corporation and the company, to be settled by arbitration under the said Lands Clauses Consolidation Act, 1845."

516. And the capital was raised on those terms?—Yes. There is only one other point I wish to draw the attention of the Committee to, and that is with regard to the consent. Perhaps you will allow me to read the first clause in the petition of the Corporation, which I think it is my duty to present to you, "That the provision of the said Bill, which makes the consent of the local authority a condition precedent to the laying down of tramways, is, in the opinion of your petitioners, a sound principle, and will give general satisfaction." A clause which proposes to get rid of the local authority, is in opposition to this principle, and a hardship to the ratepayers.

517. Therefore, the difference between you is, that Sir Joseph Heron's clause enables the Board of Trade to dispense with such consent where the refusal appears to them to be unreasonable, leaving their assent necessary as a general condition to the working of the Act?—Yes.

518. Mr. *Ayrton.*] Does not your clause say that if all the terminal towns or authorities agree, all the intermediate towns might be over-ruled?—Yes; but our tramways do run; I think the lines now laid down run into three, and with the exclusion now sought, would run into five.

519. You think there should be a dispensing power in certain cases?—Yes. In some cases I can understand that tramways may be considered beneficial in the town, and in other cases, in the suburban parts, not beneficial; and I can very well imagine a case where it might be a good thing for the town part, and an extremely bad thing for the suburban part.

520. Will you explain to the Committee what has been done at Liverpool under that Act?—I may read an extract from a letter which I received, dated the 19th March, from the solicitors to this effect: "We are further instructed to say that our clients are prepared to withdraw from their Bill all lines within the borough, and to oppose the Street Tramways Bill, if the corporation will withdraw their petition against our Bill, and undertake to oppose the Street Tramways Bill." There is an inner circle, and from that two lines fly off, something like a Catherine wheel. The inner circle is always worked in one direction, and then the carriages shoot off to the north side.

521. Radiating from that inner circle?—Yes.

522. How has the tram been laid down upon the roads that are formed of pitched granite?—They are chiefly paved roads; there are some lengths of macadam, and where there was macadam the company have themselves laid down paving-stones of the requisite width as prescribed by the Act.

523. How far on each side from the rails?—Eighteen inches outside each single pair of rails; the double pair four feet.

524. What is the gauge?—Four feet eight and a half inches, which is the ordinary railway gauge.

525. Is it a case rail or is it a tram plate?—It is a grooved rail; it is corrugated

Mr. *J. Rayner.*

30 March 1870.

gated partly outside, and then there is a little groove, and then there is a flat surface.

526. Mr. *Loch.*] They are unconnected with any railway, are they not?—Yes.

527. Mr. *Ayrton.*] Do you mean that there is a flat surface for the wheel to go upon, with a groove for the flange of the wheel?—Yes.

528. It is not a broadheaded rail?—It is not an edged rail in any sense.

529. What is the thickness of the groove for the flange?—It is very slight indeed. I could furnish the Committee with a section or a model of it.

530. It is paved with stone between the rails?—Yes.

531. So that it presents a uniform surface of solid paving-stone, over which any cart or carriage could travel?—Yes.

532. Without the risk of injury to the horses?—I do not say that by any means. I say that the risks of injury are considerable.

533. Is the company responsible under this Act to make good all damage which arises to carriages and horses?—I believe so.

534. Can anyone practically travel along the rails without using the flange?—Yes; there is a suit now in Chancery with reference to that very point. Some of the omnibuses run with a rather flat-tired wheel on the same gauge as the tramway. The question in the suit is whether that is an ordinary wheel.

535. Of course anybody can drive along the rails if the wheels are of the proper gauge?—Yes.

536. Mr. *Sclater-Booth.*] Are you aware that it has been proposed to put in a clause to make that lawful?—I think we are all agreed that it would be advantageous if you could define an ordinary wheel.

537. What I wish you to understand is, that although there is a suit pending in Chancery upon the point, it is proposed by the town clerk of Manchester that it shall be rendered lawful for anyone to drive along the trains?—With ordinary wheels.

538. Even when they are plying for hire?—I believe that is proposed.

539. Are you clear which side you take in the controversy?—I am not prepared to speak on behalf of the corporation; but, so far as my own opinion goes, I should say that all carriages with the ordinary flat-tired wheels, of whatever gauge, should be allowed to run on the trams.

540. *Chairman.*] Even if they are carrying passengers?—If they are carrying passengers.

541. Mr. *Ayrton.*] Your view is that there should be no impediment placed in the way of the public using the surface of the road by means of these trams?—Certainly not; not in the slightest degree. I do not think the public should in any way whatever, either in the case of passengers or horses, be prejudiced in the slightest degree with regard to the use of the roads by the tramways?—I am in favour that tramways, if they are laid down at all, should be laid down by the local authority.

542. *Chairman.*] Then you agree with the opinion of Sir Joseph Heron upon that point?—Yes.

543. Mr. *Ayrton.*] In fact, it is a private highway?—Certainly.

544. You think that a toll should be taken in the same way as any ordinary toll rate?—I do not go that length. I think so long as they use wheels with a fixed flange that they may allow other parties to use it. In order to keep a control over it I would grant licenses either for short traffic, or in some other way which would be most advantageous to the public.

545. Still, if other people can drive upon it, you would give them a right to do so?—Yes, I think the flange is the great security; the flange keeping the wheel in the exact proper position is a saving power.

546. If the wheel is curved and the tram-plate is flat you arrive at precisely the same conclusion, if you make the groove flat and the rail curved, do you not?—I do not think so at all. In the first place, you have to turn out of the road for heavy traffic, and you have to use the rails of the road, but a tramway carriage may keep the rail having a flange wheel; in fact, it runs down everything if you do not get out of the road.

547. Then everybody has to get out of the way of a carriage which has got a flange wheel?—Yes, that is the advantage which it possesses over omnibuses with ordinary flat wheels without a flange.

548. Or rather a disadvantage, because it cannot go on the other line?—In whatever point of view you regard it.

549. Mr.

549. Mr. *Hibbert.*] Supposing there was a heavy waggon on the rail, would that be run down by the omnibus of the tramway?—I do not think, except in Salford, that it is contemplated to put carriages carrying goods upon rails.

550. Supposing a heavy waggon to make use of the rails, would that be run down by the omnibus with the flange wheels?—The police regulations would compel the heavy traffic to keep either on one side of the road or the other, so that they would never come directly into contact. There would be no difficulty of that sort.

551. Mr. *Dent.*] Have you had any experience as to injury which has been done to roads owing to the construction of tramways?—No, except that of the ordinary obligation to repair and to keep the paving up to the level of the road.

552. A witness who gave evidence before this Committee spoke in favour of making three feet on each side of the rail, which would be repaired in case of subsidence; have you any personal experience of that?—No; we make a bargain for 18 inches; I should think that, assuming you are not taking the whole of the road into your own hands, that probably 18 inches would be reasonable, but, of course, that is a matter of bargain.

553. Have you formed any opinion as to whether the road authority should be responsible for the repair of that part of the road which is occupied by the tramway?—I differ upon that point from Sir Joseph Heron; I think, as the Bill stands, that the Tramway Committee would be actionable and the local authority would be indictable, and I think that is the best way of leaving it, because you have to get rid of liability for accidents. I think the right way of putting it is to leave the company liable to an action and to leave the local authority liable to an indictment.

554. *Chairman.*] That is your view of the Bill as it stands?—Yes; I think it is as it should be.

555. The local authority would still be liable to an indictment, and they would have their remedy by action against the tramway company?—Yes. Further than that, any individual would have a right to an action against the tramway company, but they could have no right to an action against the road authority.

556. Mr. *Dent.*] But with respect to the state of the roads, which is the point upon which I was asking you the question, as the Bill stands it appears to me that the authorities would be liable for the repairs of the roads, that is the present road authority; do you not think it would be better to leave them responsible for the part occupied by the tramway, so far as the repair of the roads is concerned?—Yes, subject to the exceptions of individuals sustaining injury; I quite agree that it would be better that the local authority should repair the paved part, and charge the company with the cost of it as a matter of convenience.

557. And to be responsible if the road is out of order?—Yes.

558. You think that they should be responsible for it, rather than the promoters of the tramway company?—The difficulty I see is in interfering with the tramway rail by the local authority in the matter of surface paving.

559. Mr. *Ayrton.*] Would you meet that by making the tramway company contract that they would keep the whole road in repair?—Yes, independently of the local authority.

560. As if they were contractors?—It might be done in that way.

561. Have you made any such arrangement with the tramway company?—The fact is, that we allowed them to do the paving originally, and now they are doing their own repairs; we used to do it and charge them with it.

562. You made no special arrangement with them for the repair of the surface?—No.

563. You say that some accidents have occurred already?—Yes.

564. Are those accidents arising out of the groove being too wide to admit the wheel, or are they accidents from slipping?—I am not speaking as regards injury to wheels; I am speaking from an affidavit filed in the suit I have referred to by a coachbuilder, who mentions the number of carriages that have been brought to him to be repaired in consequence of being wrenched, that is, carriages with narrow tires.

565. Do you know, as a matter of fact, whether the groove of the Liverpool tramway is of the same width as the grooves that were sanctioned in the Act last Session?—I really could not undertake to say that; the rail is, in fact, prescribed

Mr. *J. Rayner.*

30 March 1870.

by the corporation for Liverpool. I wish to correct a misapprehension about the dock railways in Liverpool; it is a mistake altogether to suppose that they run luggage waggons in the street; that is simply done round the docks, and not on the streets at all.

566. Mr. *Sclater-Booth.*] You have said that the tramway is now complete; have you seen it in work?—I think the second part is not quite open. Part of it has been open since November; about four miles.

567. Is that within the circle?—It is in the inner circle.

568. How many horses do they run with the carriages?—Three.

569. Are there any complaints from the owners of private carriages?—Not so many as might be expected.

570. But there is dissatisfaction?—There is dissatisfaction.

571. Is that because they have to get out of the way of the tramway omnibuses?—Not so much for that, as on account of the wrenching of the wheels and the liability to collision.

572. The groove is too wide for private carriages, is it not?—There are other objections, which I am not able to speak to positively. I can state that gentlemen driving into town have taken another route altogether on purpose to avoid the tramway.

573. Are the carriages upon four wheels?—Yes.

574. Do you know of the weight of the carriages?—No, I do not.

Sir *Joseph Heron.*] I am anxious that my evidence should not be contrary to what I really intended to say: the difficulty we found with regard to Clause 24, was simply not to define it as a clause with reference to flange wheels. The words of the clause are, "The promoters of tramways and their lessees may use on their tramways carriages with flange wheels specially adapted to run on a grooved rail; and subject to the provisions of this Act, the promoters and their lessees shall have the exclusive use of their tramways for carriages with flange wheels, or other wheels specially adapted to run on a grooved rail." Those are the words which require an enlarged sort of wheels than otherwise, but I did not propose to interfere in any way with the rights of the public. They are reserved, in fact, by the 51st Clause, which is distinct: "Nothing in this Act shall take away or abridge the right of the public to pass along or across every or any part of any road along or across which any tramway is made, whether on or off the tramway, with carriages having ordinary wheels." I do not propose in any way to alter the effect of this clause.

Chairman.] What I understood you to say was, that if that clause, as brought up, was passed, there would be an end to the Chancery suit?—No, not at all; the question in the Chancery suit is, whether they are ordinary wheels.

[Adjourned till To-morrow, at Twelve o'clock.

Thursday, 31*st March* 1870.

MEMBERS PRESENT:

Mr. Ayrton.	Mr. Hibbert.
Mr. Cawley.	Mr. Shaw Lefevre.
Mr. Dalglish.	Mr. Loch.
Mr. Dent.	Colonel Wilson Patten.
Lord George Hamilton.	Mr. Sclater-Booth.

GEORGE JOHN SHAW LEFEVRE, Esq., IN THE CHAIR.

Mr. *Alexander Monro*, called in; and Examined by Mr. *Clerk*.

575. I BELIEVE that the Act of 1861 has never been brought into operation as far as you are aware?—Not at all.

576. That Act has been in existence for nine years, has it not?—It has been in existence for nine years; there are practical difficulties in the way of working it.

577. *Chairman.*] What are those difficulties?—In the first place, you must have the consent of a certain number of the creditors of the road. If a railway company happens to be a creditor, as is the case near Glasgow, where a competing tramway might be established, as a matter of course, they will not give their consent.

578. Mr. *Ayrton.*] Are there creditors on all the roads?—On almost all the roads round Glasgow they are in debt, and most of the Scotch roads are in debt.

579. Mr. *Clerk.*] I think railways are large creditors in Scotland?—Yes; and near Glasgow one of the railways has an absolute veto.

580. Mr. *Ayrton.*] Has any attempt been made to gain their consent?—No; there is another difficulty, that they cannot pay the interest of their debt.

581. You mean that they have no credit?—No.

582. *Chairman.*] There is no application of the toll specifically for that purpose?—Not specifically for that. The maintenance of the roads must come before it, and the consent of the auditors would be required.

583. No action, then, has been taken under that Act?—None whatever. So far as this Act can be made available, the first clause that we propose enables us to agree with the road trustees in carrying it out. We take powers to agree with them, so that there may be a uniform line of tramways upon the same gauge and worked as one system.

584. Mr. *Clerk.*] It is the case, is it not, that in several of the large cities of Scotland the country roads run into the city, and the road trustees have the control of those roads?—Yes.

585. Mr. *Ayrton.*] How do you propose to deal now with the creditors of the roads under the proposed measure?—If we deal with the road trustees under this Act, the road trustees must deal with the creditors, and so they would have the power of stipulating for certain conditions; but if we came for a Provisional order without the consent of the road trustees, the creditors would then be heard before the Board of Trade, or before Parliament if they desired it.

586. You would leave the creditors to appear to object, without making any particular provision for their protection?—Precisely so. As a rule, the tramways would probably increase the value of the debt without any stipulation whatever.

587. Mr. *Clerk.*] You look to their concurrence, in the first instance, in the

Mr. *A. Monro.*

31 March 1870.

establishment of a tramway, under those circumstances, partly over your streets and partly over their roads?—Yes.

588. In that agreement probably you would take into consideration the amount of the debt, and some terms of arrangement to be obtained in the provisional order or certificate?—The creditors must be consulted if it is a matter of agreement between the corporation and the road trustees, because the road trustees would have no power to agree without it under the Act of 1861.

589. Mr. *Ayrton.*] But supposing that you proposed to proceed under the Bill instead of under that Act, what provision would you introduce as equivalent to that which is to be found in the Act of 1861, or how would you propose particularly to protect the creditors of the road?—I think that they should be dealt with the same as any other interest by appearing before the Board of Trade. They would have notice of the application for the provisional order, and their interest should not go before any other interest.

590. Mr. *Clerk.*] There was a question raised by the honourable and gallant Member for North Lancashire as to why you object to the power of resale; having purchased the tramway from the undertakers you say that the local authorities should not have power to resell, but should either work or lease it?—Yes, it is desirable that the whole of the arrangements of the tramway should be under the control of the local authority. It seems to be admitted on all hands to be desirable that they should be under the control of the local authority as much as possible. In the case of the burghs in Scotland, where the streets are to a large extent the property, and are under the control of the corporation, it would save any trouble arising from two managements. If the corporation once acquired it, it should not be made a source of dealing with it so that they might part with it again to the detriment of the interests of the city at large.

591. Mr. *Dent.*] You would not then give the local authority the power to sell?—No, I think they should not have it.

592. Having obtained the tramways, you would not give them the power to sell that concession?—No, I think that they should have the power of leasing it or of working it themselves, and buying carriages and horses, and buying rolling stock, or having a contractor under them to do it. We found that particularly useful in Glasgow, for instance, in the case of the cleansing of the city, there was power to contract or to take it into their own hands, and, as it were, to become manure merchants.

593. *Chairman.*] There is no power under the Bill for the local authorities to work the tramways in that sense, is there?—There is a provision against it in the Bill, but if it was not for that provision we should be at the mercy of two or three parties in Glasgow, who would never pay such a sum for the use of the tramways as they would be if we could compete with them.

594. Mr. *Dent.*] Then you would like that provision struck out of the Bill?—Yes, unless we have the power of competing we should be placed at a very serious disadvantage, and we should not get for the public the benefit of low fare, as we should get otherwise,

595. There is no case at all, I suppose, in Scotland, where local authorities have become the owners of carriages?—No, there is not; but in Glasgow we supply the water, we supply the gas, and manufacture the gas, in every way. The Clyde Trust is the collector of the dues, which were formerly farmed, but a different system was adopted, and the dues now collected by the corporation produce nearly three times the amount that they did when farmed. There is also the other instance, of the manure, which requires the employment of, I think, about 120 horses.

596. Mr. *Ayrton.*] If you have power to lease for a time, however short, that is virtually the same as having a contract, is it not?—It would not be so, because we should have, perhaps, only three competitors who would do, perhaps, with the tramways as they did with the slaughter-houses. They met before the public sale, and fixed what should be offered, and one offered, and it was divided between the three.

597. Colonel *Wilson Patten.*] You are an advocate for the sole control and management, and everything being in the hands of the corporation?—I am; I think it is the most beneficial way in which the tramways can be worked.

598. Mr. *Clerk.*]

598. Mr. *Clerk.*] All the gas and water-pipes in Glasgow, I think, are in the hands of the corporation?—The whole of them, and they manufacture the gas also.

599. Colonel *Wilson Patten.*] Could you give the Committee any instance where a corporation has had the management of a work of this kind?—The nearest I can give you is, that where we have ourselves a large stock of horses for collecting and selling manure, and a large stock of railway trucks for dispatching it to different parts of the kingdom, under special agreements with the railway companies, and with agents, in all the towns of Scotland for getting as large a price as possible. It is a far larger commercial concern than the management of tramways would be.

600. Mr. *Ayrton.*] Have the corporation any power to keep ferry-boats?—No; that is in the Clyde Trust, which is not the corporation. They keep the boats, and they collect the fares which produce a considerably larger sum than formerly.

601. *Chairman.*] You state that you think the leasing power should be retained?—I think so, because some of the corporations of Scotland might not be able to provide the rolling stock. Some of the Royal burghs in Scotland are poor.

602. Do you understand by that that the corporation should itself lay down the tramway, and then having made it should lease it?—Just so; that they should arrange with a company, or with an individual, for the working of the tramways. In Glasgow we are very much limited in space; our population is far too dense for the area on which the city is built. We are now making arrangements for the purchase of large portions of ground beyond the municipal area, for the erection of houses for the poorer class of citizens; if the tramways were in the hands of the corporation they could be carried to such a distance as to bring the poorer people to their work at low fares, or they could stipulate with the contractor to run certain carriages, at certain hours of the day, at low rates.

603. Colonel *Wilson Patten.*] Might it not create rather a bad feeling in Glasgow, if the corporation were competing with companies for the conveyance of passengers?—I do not apprehend any competition if the tramways were once in operation.

604. Do you think that they would drive off omnibuses and every other conveyance?—Quite so. They have done so entirely in America, and they have nearly done so in Liverpool, and would have done so entirely, but for the contrivance which they have adopted of adapting the wheels to run along the tramways.

605. But do you contemplate that the whole of the cab traffic of Glasgow would be put an end to?—Not the cab traffic.

606. But would not the corporation come into competition with the cab traffic?—I do not think that omnibus traffic comes much into competition with cab traffic; it is a different class of people. They would drive the omnibuses off all the leading roads where the tramways would be laid down, I should think.

607. Mr. *Clerk.*] I suppose that the great stream of omnibus traffic of Glasgow is along the leading thoroughfares from the suburbs and through Glasgow?—Yes, just the leading lines of omnibus roads along which one company propose to lay tramways this season; they are always laid along omnibus roads.

608. Of course there must always be a large amount of cab traffic in lateral directions to different parts of the city?—Yes, and along the same road; I have no doubt there will be a large amount of cab traffic.

609. You have the clauses there which you propose for the purpose of carrying out the arrangements with the road authorities?—Yes; the first clause, as I said, gives power to make agreements. The next gives power to the corporation or the local authority to apply for a Provisional Order, without the consent of the road trustees, either within the burgh or for such distance beyond the burgh as is necessary for supplying the suburban districts. There are eleven different road trusts within that area, all of which we should have to deal with; and there are five different parishes who would be the local authorities.

610. *Chairman.*] Within the limits of Glasgow?—Within the surburban district of Glasgow; within the city itself there are a considerable number of

Mr. *A. Monro.*

31 March 1870.

road authorities, and taking the larger area, there are 11 different authorities, and five parishes; it would be almost impossible to get those parties to agree, unless there were some compulsion upon them; for instance, take a road trustee who is a large creditor as well as a road trustee; he has quite a different interest from the road trustees in general.

611. Mr. *Clerk.*] Is there a very large amount of building going on beyond the municipal limits of Glasgow?—A very large amount.

612. With regard to what was put forward by Sir Joseph Heron, and the gentlemen representing other corporations in England; do you think that those provisions would suit Scotland?—Yes; Sir Joseph Heron and the gentlemen representing the other corporations differ as to the power of working the tramways, which we think we should have; we think also that some alteration should be made as to the maintenance of the road, but the road authorities are of opinion that the tramway companies should maintain the roads within the tramways, and 18 inches beyond the outside rail of each tramway, subject to the control of the road authority to see that it is properly done.

613. The same was in the Metropolitan Tramway Bills of last year?—Yes.

614. With regard to the confirmation of bye-laws, I think that you have a clause in which you propose that they shall be subject to the revision or review of the sheriff?—Yes, almost all bye-laws in Scotland are subject to the review of the sheriff; a large number of them come into operation as soon as the sheriff approves of them; others come before the Secretary of State or the Board of Trade. The parties are more readily heard before the sheriff in Scotland than they could be heard before the Board of Trade.

615. He is the local judicial officer?—He is the local judicial officer.

616. And he can hear the parties?—He hears the parties. He gives notice of a day and the parties are heard, and the bye-laws are frequently altered to meet the convenience of parties who are affected by them.

617. Is there any other matter, as the Bill now stands, upon which you have anything to say?—There is the proposed power of deviation; I understand the Tramway Companies themselves are to propose such provision that when the street is altered they shall be allowed to deviate vertically, so as to maintain the level of the street as it exists. Where the street is widened it would be of importance to enable the Tramway Company to alter the line of their rails, so that they should not be further distant from the centre of the line of the street than formerly.

618. *Chairman.*] So as to enable always to occupy the centre of the street?—To enable them always to occupy the centre of the street without coming back for an alteration of their power; there are several parts of the Bill where Scottish terms would be required instead of English terms. That could be very easily done.

619. Mr. *Clerk.*] Certain alterations would be required in some of the clauses to meet the special circumstance in Scotland?—Just so. We concur as to the ratepayers' consent and various other things.

620. *Chairman.*] Did I understand you to say that it would be necessary if the corporation are to carry out any scheme of tramways at all that they should have power to lay down tramways beyond their district?—To carry out an efficient scheme it is absolutely necessary. For instance, there is the district of Govan, and the Botanic Gardens district, and the Queen's Park, all of which are beyond the municipal boundaries. If we were only allowed to carry the rails to the exact boundaries of the City, the lines would be comparatively useless. The omnibus roads would exactly tell us where we should go.

621. Mr. *Ayrton.*] What is there to prevent you from arranging with the next local authority to continue it, and coming to an agreement with them?—Supposing that they had not funds sufficient to lay down the tramways, how could we arrange with them? There would be the 16 different parties with whom we should have to arrange; five different parishes, and 11 different road trusts. Then you see at once that if there was a large body of creditors, the creditors being also trustees, their interest would be to make us pay enormously for the privilege.

622. *Chairman.*] You have named the parishes and the road trustees; it would be impossible for the parish authorities to make a tramway without the consent of the road trustees; but you are now proposing that the local authority should extend

extend to the district of another local authority, if necessary, and make a tramway there without its consent?—In the case of royal burghs, that affects all the large important towns in Scotland.

623. Mr. *Ayrton.*] Does the municipal authority of Glasgow undertake the supply of water and gas to Glasgow?—Yes, it supplies not only the city, but the whole of the suburbs with gas and water.

624. How do you arrange there with the local authorities or road trustees to lay down the gas and water-pipes?—We have to come to Parliament to compel them to be reasonable in their demands, and to arrange terms with them and the consumers and the other authorities.

625. Then you have statutory powers over the roads to break them up for the gas and water-pipes?—Yes, beyond the municipal limits, and beyond the limits which we should require for tramways.

626. Are those statutory powers the same as are ordinarily granted to companies when they undertake the supply of gas and water?—They are rather stronger.

627. In what sense?—The corporation have generally strong clauses against companies, so that the local authority may have a control over what they do, but being in the hands of the local authority in Glasgow, those clauses are all omitted.

628. Do you mean that the local authority, who will disturb the road, is the judge whether the road is made good?—The road trustees are, of course, the judges as to that; but as regards notices and many things, we are not so hampered as many joint stock companies are.

629. But still they have the same power over you in dealing with the road as they would ordinarily have over a joint stock company in dealing with the road, as regards the breaking of it up, and the replacing it and keeping it in proper order?—Yes, they have that power, undoubtedly.

630. *Chairman.*] I understand you that you supply water to those parishes beyond your own district?—We do; it is their only source of supply.

631. Do you supply gas also?—Yes.

632. Mr. *Clerk.*] As I understand, you propose to do it in the first instance by agreement with those outlying districts or the authority managing them; and if they do not agree, then that you should have the authority obtained from the Board of Trade for the purpose?—Just so. If you prevented us from coming to the Board of Trade without the consent of the road trustees, you would place us in a much worse position than we are in at present, because at present we can come to Parliament and ask Parliament for what we consider right, while that would be giving the road trustees an absolute veto against our stating our case.

633. Mr. *Ayrton.*] If it was by Provisional Order, all that would be necessary would be to give them a *locus standi* against the Provisional Order?—Certainly, and it is provided in the clause.

634. Have you any private Act to regulate the administration of the affairs of Glasgow, or is it by common law?—We have about a dozen private Acts.

635. I suppose that all the functions of the municipality, in respect of roads, and lighting, and general control, is regulated by statute?—Yes, excepting so far as it is regulated by the Royal Charter of the burgh. That comes in for a portion of Glasgow. It does not extend over the whole municipal limits.

636. Are the other burghs for the most part regulated by private Acts, or by special charter, or by common law?—All the royal burghs have special charters, and some have regulations different from others; but they were all brought under the common municipal Government by the Reform Act of 1832.

637. Mr. *Clerk.*] In Edinburgh there was a royal part of Edinburgh, and a great deal of the municipality beyond that?—Yes; there are some taxes which are leviable within the royalty which are not leviable beyond it. Edinburgh and Dundee have asked me to speak for them. I think Glasgow is the only burgh in Scotland which has a road authority distinct from the town council: but in the greater number of cases of royal burghs the road trustees have roads within the burgh on which they exact toll.

638. Colonel *Wilson Patten.*] And that, you think, is general throughout Scotland?—I believe that you may say it is universal. There are 15 counties in

Mr. *A. Monro.*

31 March 1870.

Scotland where tolls have been abolished, and where, of course, that does not exist.

639. But are there burghs which are not royal to which this Act might apply?—There are one or two.

640. Mr. *Ayrton.*] How is the debt charged where the tolls have been abolished?—There are different arrangements. In Haddingtonshire they have charged the interest of the debt upon the reduced toll for a certain number of years. In Banffshire, I think, they have abolished the tolls entirely and made a common rate, half upon the landlord and half upon the occupier; but there are different provisions in a great many of the counties; they are not uniform; Edinburgh, Glasgow, and Dundee are the three towns which are principally affected by this Act. I brought it under the notice of Aberdeen about three weeks or a month ago; but I had a letter from the town clerk saying that on looking into it they did not think it necessary to interfere, as they were not likely to be affected by it.

641. *Chairman.*] It is not likely to be carried out there?—I should think not, or to a very small extent.

642. I suppose that the royal burghs would include a large number of places of small population?—They would include a large number of burghs in Fife, but they could not exercise the power.

643. It is only the very large places which would be likely to exercise, or could exercise those powers, I presume?—Yes; I do not think that there are any other places besides Edinburgh, Dundee, and Glasgow, which would require the powers.

644. That is to say, powers extending over other than their own districts?—Yes, or within them.

645. Mr. *Dent.*] Has your attention been turned at all to that part of the Act which provides for the repair of the roads where the tramways are laid?—Yes, I asked our road surveyor his opinion upon it, and he says that he would prefer that the Tramway Company should be bound to maintain it to the satisfaction of the surveyor 18 inches on either side.

646. He prefers the clause as it stands in the Bill, to the clause as proposed by the road trustees?—Yes.

647. Mr. *Cawley.*] I think you said that the Board of Police has the control of the roads in Glasgow?—It has.

648. Do you represent them as well as the corporation?—I do.

649. Mr. *Clerk.*] It is a sort of statutory committee of the corporation, is it not?—It is.

Mr. *Andrew Hoggan*, called in; and Examined by Mr. *Davidson.*

Mr. *A. Hoggan.*

650. Are you joint clerk along with your partner of all the turnpike roads in the county of Renfrew?—Yes.

651. Are you also clerk of some of the turnpike roads in Lanarkshire?—Yes.

652. Are you also clerk of the great road between Glasgow and Carlisle?—Yes.

653. Then I need scarcely ask you whether you are intimately acquainted with the working of road law in Scotland, and with the management of the roads?—Yes.

654. As a general rule, who are the road trustees in Scotland?—In the case of the county of Renfrew, the road trustees are, I think, eight or ten of the magistrates of Glasgow, as many magistrates of Paisley, and Port Glasgow, and Greenock; and the county gentlemen have a certain qualification, 100 *l.* Scots, which is about 400 *l.* sterling; so that there is a very large representation of municipal bodies on the board of trusteeship.

655. Do I understand you to say that the municipal authorities are largely represented on the road trust?—Yes.

656. I suppose that the money required for the making of the roads was borrowed principally from the county gentlemen through whose properties the roads pass?—Not from the county gentlemen; it was borrowed upon the security of the tolls, with the personal obligation of the county gentlemen, and in no case that I am aware of, have any of the county gentlemen advanced funds.

657. On the trusts of which you are clerk, are or are not the county gentlemen personally

personally liable, to a great extent, for the debts affecting the roads?—Yes, they are.

658. I suppose there is still a considerable debt upon many of your roads?—Yes.

659. But some, I have been told, have been paid off?—Yes; we have been gradually paying off the debts of many of the roads; upon the whole of the roads, with the exception of two, we are in the habit of paying interest on the debt.

660. The funds derived from your tolls are first applied to the maintenance of the roads, are they not?—Yes, in all cases.

661. And then the surplus goes to pay the interest of the debt?—Yes.

662. And then if there is any remainder, you pay off the principal of the debt?—Yes.

663. And as you pay off the debt you reduce the tolls?—Yes.

664. Has that ever been done?—In many cases. Some of the tolls in Glasgow are remarkably low in consequence of the debts being paid off.

665. Of course in no case do the trustees derive any pecuniary profit from the tolls?—In none; the public get the entire benefit of it.

666. Why is it, so far as you know, that this Tramway Act of 1861, has not been actively brought into operation?—About 1860 or 1861 there was a very strong desire in some parts of the country to have tramways, and we waited until we saw some of the tramways set going in the neighbourhood of London, and at Birkenhead. We did not think at that time that the form of rail was a good one, and we have been waiting from year to year to see whether some better form of rail, or mode of using the tramways had been adopted, but I believe that if we have now arrived at such a point, is to say that the best rail has been found, there would be no hesitation in laying the rails on the turnpike roads, and the Act of 1861 would soon be put into operation.

667. Do you consider, or is it the opinion of the road trustees in your part of the world, that if power is given to lay down tramways upon the country roads it should be the road trustees who should have the first power to do so?—No doubt.

668. That merely carries out the Act of 1861?—Yes.

669. And under that Act, I believe, nobody else has any right to do so?—None.

670. At this moment you have the sole and exclusive right of laying down tramways, have you not?—Yes.

671. I believe you were rather taken by suprise by my learned friend, Mr. Clerk's proposal, that the consent of the road authorities should not be necessary for the laying down of tramways upon your own roads?—Yes, we think it essentially necessary that the consent of the road authority should be first obtained.

672. Would not all the road trustees very strongly object to the omission of such an important qualification in the Bill?—I have no hesitation in saying that they would.

673. You see the last district mentioned in Schedule A; the only corresponding place to that would be, I suppose, the district included in your roads?—Yes.

674. Is there in Scotland anybody answering to "The vestry, select vestry, or other body of persons, acting by virtue of any Act of Parliament," who have ever had anything to do with the roads?—None.

675. The Poor Law Boards and vestries have never in the history of Scotland had anything to do with the roads within their boundaries?—Nothing.

676. Do you think that instead of that the road authority ought to be the authority?—Clearly.

677. I suppose you have no wish to interfere with the municipal authorities within their boundaries?—Not so far as regards their streets, but so far as regards the portions of our turnpike roads within the municipality.

678. But all those streets which are maintained and repaired by the magistrates and town councils of burghs, you think, ought to be under the local authorities described in the schedule?—Quite so.

679. If you were to make the local authorities under this Act the road trustees, it would simply be preserving their rights under the Act, 1861?—Certainly.

Mr. *A. Hoggan.*

31 March 1870.

680. And doing nothing more?—Doing nothing more.

681. With reference to the objection that the consent of the road trustees would sometimes be necessary within the municipal bounds, in consequence of roads belonging to the road trustees existing within the municipal bounds, let me refer you to the Glasgow Police Act, 1862; will you read that?—Under the Glasgow Police Act there is a Clause 318, to the effect that the board (that is, the Glasgow authorities) may lay, or continue in any portion of a turnpike road within the city, with the consent of the trustees of such road, and in any of the public streets, iron tramways or railways for the purpose of facilitating the passenger traffic along the same, and may from time to time remove, alter, and repair such tramways, and make bye-laws for the use thereof.

682. Mr. *Loch.*] Is that the Act, 1862?—It is.

683. Mr. *Davidson.*] So that, really, when the town clerk of Glasgow wishes to get rid of this obligation, he is repudiating their own Act of 1862?—Exactly.

684. And the consent of the road trustees, which would be necessary under the present Bill, is nothing more than is rendered necessary by the Glasgow Police Act, which is in operation at present?—Quite so; and I think, with a very few amendments, the Glasgow Police Act and the General Act of 1861 would be quite sufficient for Scotland to enable both parties to make tramways.

685. Mr. *Ayrton.*] What are those amendments in the Acts of 1861 and this Act?—In the Police Act they have no power to charge tolls, which is a vital matter; so that the authorities of Glasgow would not make tramways to be used by all and sundry without some power of obtaining tolls or granting licenses.

686. You think they ought to have power to take tolls and to grant licenses?—The town authorities ought to have that as well as the road trustees; but I differ from Mr. Monro in this respect, that, so far as the road trustees are concerned, we ought not to have anything to do with the working of tramways.

687. Are there any other amendments which you would propose to the Act of 1861?—I would wish the Act of 1861 to be amended in this way: that the road trustees should have the power to lease to parties the power of making the tramway; at present the trustees are the parties to make it. The road trustees would wish power to enable them to treat with third parties, who might come forward and say, "We wish to lay down these tramways."

688. *Chairman.*] Have they power under the Act of 1861 to sell?—No, to lease.

689. You think they should have power to lease?—Yes. The clause which I have prepared is this: "That nothing in this Act shall alter, prejudice, affect, or diminish the powers and provisions contained in the 'Tramways (Scotland) Act, 1861,' but that Act and this Act shall be read together as one Act, and the road authority in Scotland may let on lease to any person, corporation, or company all or any of the powers conferred on them by the 'Tramways (Scotland) Act, 1861,' for such periods and on such pecuniary and other terms and conditions as may be agreed on: Provided always, that any sums received by the road authority under or in respect of such lease shall be applied by them to the same uses and purposes as any tolls, rates, or duties at the time leviable and receivable by them."

690. Under the Act of 1861, you have power to levy tolls, have you not?—We have power to levy tolls.

691. But you have no power to lease?—We have no power to lease.

692. And you proposed that you should have power to lease, if it was thought desirable?—Yes; and with this power given to both the local authorities of Glasgow and to us, I think that we should have no difficulty in making tramways in the west of Scotland.

693. Mr. *Ayrton.*] Does it strike you as being difficult to read this Act of 1861 and the Bill as one Act?—The phraseology in connection with English law is considerably different from that of Scotland.

694. I mean having reference to the difference of the provisions?—We object to

to the local authority in Scotland, because there is really no such authority landward.

695. But considering that all the provisions of the Bill differ from the provisions of the Act of 1861, how would you read them as one Act?—We think that we are better under the Act of 1861, in this respect: that we are the parties to decide whether tramways should be laid upon our roads or not; whereas in this Bill it is proposed that that matter should be referred to the Board of Trade.

696. But how do you intend to read the two Acts together?—If this clause were put in here then we should have the benefit of the Scotch Act, in this respect: that we should either make the tramways ourselves, or if we did not choose to do that, we should lease them, and we should then act entirely on the Scotch Act, taking the benefit of the English Act in connection with any regulations which might be necessary.

697. If you take part of the English Act, would you not read the whole Act?—We should certainly prefer taking the benefit of the Scotch Act with such clauses in the English Act as might be necessary.

698. You mean that some of the clauses in the English Act should be deemed to be incorporated with the Scotch Act, and that to that extent it should be amended?—Exactly. There are a great many clauses in the English Bill that I do not object to.

699. And that would read in harmony with the Act of 1861?—Yes, with the addition of the clause which I have put in just now, and we have prepared clauses in those terms.

700. *Chairman.*] Then, is it your opinion that the consent of the Board of Trade is not necessary?—It is.

701. Or the assent of Parliament?—No. At present the municipal authorities have a sufficient representation in the road trust to enable them to come forward with any proposal, if they wish to be the parties to lay down the tramways outside of Glasgow, and it would then be considered by the road trustees and others. With a view to putting the county gentlemen into a position not to to be taken unawares in matters of that kind, there is a special provision put into the General Police Act that any matters of that kind shall require a confirming meeting, held after a month's notice.

702. At present, under the Act of 1861, any tolls derived from the use of tramways go to the general purposes of the trust, do they not?—Yes.

703. Supposing the debt of the road is paid off, what happens?—Then instead of the road trustees asking a halfpenny, they would ask a farthing. The road trustees in Scotland are not allowed by law to accumulate money; they have no object in accumulating money.

704. Therefore, any receipts from that source would go either for improvement of the road or a reduction in the tolls by arrangements with the company?—Quite so. Some of our tolls were sixpence from Glasgow, and now they are twopence, and consequently their debts have not been paid off.

705. Did you hear the evidence given by the town clerk of Glasgow, as to the necessity of the corporation having power in districts beyond their own district?—Yes; we do not object to that, but if they are to have such powers, they ought to come forward to the road trustees as the proposers of the scheme.

706. You think it ought to be with the consent of the road trustees?—Quite so; I have no hesitation in saying so.

707. Do you apprehend that there would be any difficulty in the two bodies coming to some agreement?—None; I am quite satisfied from what I know of the county gentlemen, that, where the locality required it, they would be very happy and willing to go into such measures.

708. Do any of those roads under the management of the road trustees, go into the burgh of Glasgow?—Yes, a considerable portion of them.

709. Some of the main streets?—Some of the leading streets.

710. Streets through which tramways would naturally be laid?—Yes.

711. Mr. *Loch.*] And it is in reference to those streets that this Clause 318 is applicable?—Yes.

712. And even with regard to those streets within the burgh, the consent of the road authorities is necessary before laying down tramways?—Yes.

713. How many miles of those streets within the burgh are under the control of the road trustees?—There are about 18 miles of turnpike roads within the municipal burgh.

Mr. *A. Hoggan.*

31 March 1870.

714. Are you aware also that Mr. Monro's suggestion went beyond that, and that he proposed that there should be a power to the local authority of Glasgow to lay down tramways under certain contingencies, without the consent of the road trustees, beyond the limits of the burgh?—I heard him state that.

715. Did you understand at all from what he said, what mileage of roads would be embraced within such a power, should Parliament concede it to them?—I did not hear him state the specific number of miles, but I think the road trustees would have no objection that the Bill should contain powers to enable the authorities of Glasgow to lay down tramways both inside and outside the municipal boundaries to any extent they might like to go, the consent of the road trustees being always had and obtained.

716. To what extent would you think it is justifiable to give the local authorities of Glasgow power to do that without the consent of the road trustees?—I would not give them any power over turnpike roads at all without the consent of the road trustees.

717. *Chairman.*] If it were subject to Parliament by Provisional Order should you see any objection to it?—We think that we are ourselves the best judges of what tramways ought to be laid down.

718. But supposing that any road trustee was so unreasonable as to refuse his consent?—Then the parties should come to Parliament

719. But would it not be better to avoid the necessity of a direct application to Parliament?—I am instructed by the trustees to say that they would prefer that, if they are not to be the parties to give their consent, Parliament should be the party.

720. But under the Bill, if it is by Provisional Order, Parliament would itself have the opportunity of deciding?—We desire to have an opportunity of being heard.

721. If you had an opportunity of being heard, would you then be satisfied?—It might be held that by a Provisional Order we might not have so strong a case as before a Committee of Parliament.

722. This machinery for going to the Board of Trade is in your opinion unnecessary if the parties consent?—Yes.

723. But if they do not consent, you think that some application is necessary?—Yes.

724. But supposing an opportunity is given you of being heard before a Committee through the Provisional Order would not that suffice?—Yes; it would so far.

725. And you would not then object to the tramway being made without the consent of the road trustees, in cases where it is unreasonable that they should refuse their consent?—If Parliament said, after having heard the road trustees and the creditors, that tramways should be laid down upon those roads, of course we should submit.

726. You have the power, under the Act of 1861, of laying down tramways through some of the principal streets of Glasgow, have you not?—Yes.

727. Is that without the consent of the local authorities?—No, we cannot do it without the consent of the local authorities, by Clause 16, of the Act of 1861.

728. That makes the consent of the local authorities necessary?—Yes.

729. Do you also consider that the road trustees, if the framework of this Bill before the Committee is adopted, should be the promoters?—Yes; with a power in the event of their not choosing to do the thing themselves, that they should apply, if possible, for a Provisional Order, and lease it out.

730. Mr. *Davidson.*] I suppose in some cases, the introduction of tramways might very materially diminish the security of your debts?—No doubt of it.

731. Do you think that that is a question of which the road trustees ought to be the best judges?—I think there are very important interests to be looked at. It might be that the trustees might be taken unawares, and that great injury done to the creditors.

732. Mr. *Ayrton.*] Do you see any objection to persons who wish to lay down a tramway, making an application under the Act for a Provisional Order, notice being served on the trustees, and the trustees being heard, and if the Provisional Order is adverse to them, leaving them an appeal to Parliament against it?—If we have an appeal to Parliament.

733. *Chairman.*] Provided you had that opportunity, you would not object?—I have been instructed to say that our road trustees would prefer that there should

should be an ordinary Private Bill, unless we give our consent; but I do not think that that would be in the least necessary, because I think our road trustees would agree to it.

734. Mr. *Loch.*] You do not see any probability of there being collisions between the two authorities?—None at all. The road trustees, and the municipal authorities of Glasgow would deal liberally, as they always have done, with a desire to accommodate the public.

735. Your road trust is rich is it not?—It is rich in respect of being free from debt.

736. Therefore, in representing the interests of this rich trust; you say that your views might be satisfied if you had the power of appealing to Parliament?—Yes.

737. But supposing the case of an embarrassed and poor trust; would they be sufficiently protected in having an appeal to Parliament, they incurring all the expenses of the appeal?—The road creditors would be put in this position: that if they found any Act was done which would interfere with the credit of the tolls, they would call up their money, and the county gentlemen who are personally liable would have to pay it, and hence the necessity for being very guarded.

738. Mr. *Ayrton.*] Would it not seem that it would give facilities for opposition, because, in the first place, you would have the evidence taken locally by the inquiry of the referee, and therefore you would be able to come to Parliament with your petition without the expense of bringing your evidence to London?—If full opportunity was given us of being heard, possibly we ought not to object to that course.

739. The only effect of a Private Bill would be, that the applicant would be put to further expense, but the opponents would be rather benefited, would they not?—That any private person should come forward and apply for a Provisional Order, and should be put in the position of us, looking after our interests.

740. The only difficulty would be as regards the promoter; that he would be put to the same expense as in a Private Bill?—Quite so.

741. Do you see any reason for putting him to that expense?—Of course I have been mentioning these matters as regards the creditors.

742. *Chairman.*] What is the mileage of the roads which you represent?—I should think between 300 and 400 miles of turnpike roads. We take charge of the great road leading from Glasgow on to Carlisle.

743. Do you take charge of all the leading roads out of Glasgow?—Not of all the leading roads; we have between 30,000 *l.* and 40,000 *l.* collected for tolls upon the roads of which we have charge.

744. Mr. *Ayrton.*] Will you explain to the Committee what is the peculiarity of the trustees of a statute labour road as compared with the trustees of another road?—Trustees of statute labour roads are pretty much, in Scotland, the same parties as turnpike-road trustees. The only difference in the case of statute labour roads is, that factors for absent gentlemen are more generally allowed to attend.

745. Are the statute labour roads free from tolls?—Yes.

746. Are all the roads, except municipal burgh roads, to be divided into statute labour roads and turnpike roads?—Attempts have been made in connection with that for some years past, but they have not been successful. It would be a most difficult matter to arrange the points.

747. Is there any other class of roads?—There is no other kind of roads; there are just the turnpike roads and the statute labour roads.

748. And then there are no other roads?—Not that I am aware of.

749. Then all the roads of Scotland are virtually in the hands of the trustees, except those which are under the administration of the municipal burghs?—Yes; except that in the new portion of Glasgow, there are portions of building ground which are maintained by the feuars themselves by some arrangements with the superior. Those are private roads, in point of fact.

750. Mr. *Davidson.*] With reference to Mr. Monro's evidence, he said that there were 11 different trusts within the boundaries of Glasgow, of which the consent would be required for any system of tramways; I suppose that all those trusts lead in different directions?—They do; and he would not require the consent of all those trustees. If they wanted to lay down a tramway upon a

Mr. *A. Hoggan.*

31 March 1870.

particular road it would only be the trustees of that particular road whose consent would be required.

751. It means that there are 11 different roads leading out of Glasgow practically?—Yes.

752. How many sets of trustees are there?—There would be all those different sets of trustees.

753. Mr. *Loch.*] Entering Glasgow on different sides?—Yes; I did not think there were so many as 11.

754. Mr. *Dalglish.*] Were that system of tramways laid down at Glasgow, how many of those trusts do you suppose would require to be represented?—There are six represented in this room who were affected by local acts, which were applied for this year.

755. But there may be more than six, I suppose?—Yes, there might be more than six.

756. Mr. *Davidson.*] Will you hand in the different amendments which you propose?—I will (*handing in the same*).

757. *Chairman.*] Are the road trustees opposing parties to the Bills before Parliament?—Yes.

758. Upon what grounds?—We object to private companies having those powers; they would not put clauses in the Local Bills which we thought necessary to protect the roads.

759. Not because you object to tramways altogether?—No, our road trustees generally are favourable to tramways, but we think we ought to be the parties to make them.

760. Mr. *Ayrton.*] Do you know whether it is the opinion of the trustees that all tramways should be laid down so as not to interfere with the ordinary use of the road by conveyances of the ordinary character?—Yes, if our trustees had any idea that tramways were to interfere with the ordinary use of the road, we would not consent, I think; the great matter is to get those tramways put upon the road so as not to interfere with the ordinary traffic of the roads.

761. That any person may be able to ride or drive over it without impediment or injury?—Yes, I may mention that I went to Liverpool and saw the tramways. I think those are an immense improvement upon those which were adopted by Mr. Train.

762. Mr. *Sclater-Booth.*] Did you hear that there was any objection on the part of the public to that tramway, as now worked?—Not at the time. Indeed we were told that the shopkeepers who at first objected to it were then in favour of it.

763. Did you hear of any accidents happening to carriage wheels?—I did not.

764. Mr. *Loch.*] Is there much coal traffic upon your roads in Renfrewshire?—Upon our roads in Renfrewshire we have the greatest traffic I should fancy of any roads in Great Britain. We have carts drawn by one horse coming down with three tons, and three tons and a-half of stone, from the quarries.

765. In considering the subject of tramways have you thought of their operation as regards both passengers and goods?—I do not consider it possible to make tramways for all traffic to use them. Possibly the time may come when heavy traffic may go along tramways at night, or at certain special hours; but I do not see how it is possible to allow traffic of stone and coal to go on in the daytime.

766. Would it be possible practically to combine the stone and coal traffic of which you speak with the passenger omnibus traffic?—Quite impossible.

767. Mr. *Ayrton.*] Have there been any steps taken to lay down tramways under the Act of 1861?—There have been no steps taken, but that has arisen entirely in consequence of our not being made aware of what was the best mode of tramway to make.

768. Are you aware whether any tramways are laid down upon roads in Scotland under that Act?—None. There is a clause which I was going to mention that we are anxious should be introduced. If you will allow me I will read it, and mention under what circumstances we wish it to be inserted: "In case any road authority shall, at any time, resolve to alter the line or level of any portion of any road along or across which any tramway is or shall be laid, the promoters shall from time to time be bound, on receiving one month's notice of such intended alteration, and at their own expense, to lift such tramway, and to relay the same on

on the road as altered, to the satisfaction of such road authority and their surveyor, or in case of difference in such position and manner in all respects as may be determined in England by two justices of the peace, and in Scotland by two justices of the peace or the sheriff of the county." I may mention that in all the General Acts, and in the General Telegraph Act, there is the same clause put in for the protection of the roads.

769. Mr. *Davidson.*] Is that, word for word, the same clause as was introduced into the Telegraph Act?—It is.

770. Mr. *Loch.*] You have put in a clause, 4A, for which I should like to hear any justification that you may think proper; upon what ground should you lay claim to a per centage of tolls?—On none of the roads in Scotland are we in a position to allow parties to use those roads, without getting tolls from them. By the General Act of 1861 we have power to levy tolls for the use of the tramway, and if instead of laying down tramways ourselves, we contract with other parties, then those parties must pay us some wayleave or license, or toll duty for the general purposes of the trust.

771. As a price for the permission granted to them to put down the tramways?—There is a large debt affecting some of those trusts, and it would not be a proper thing that a private company shall be allowed to lay down a tramway upon a road without some contribution towards the maintenance of the trust and the extinction of the debt.

772. Then, in your view, would the existence of a tramway upon your road, interfere with the revenue arising otherwise from your road?—It would, no doubt.

773. Mr. *Sclater-Booth.*] Could you not charge the vans as they pass through the turnpikes?—But we have not turnpikes upon some of the roads that they were to lay tramways upon. If they were to go through a toll-bar upon every occasion it would necessitate the putting up of a toll-bar; it is better, I think, for the public that there should be a wayleave

774. Mr. *Loch.*] Then you contemplate this per centage as compensation for that loss of income, which would arise to you from the presence of tramways on your turnpike?—Exactly.

775. Mr. *Sclater-Booth.*] How could there be any loss by reason of the people going on those tramways instead of other conveyances?—Because at present on some particular roads we have portions of the road within the municipality, upon which there is no toll-bar; we have been gradually going out, as we found that we were able to do that from the state of the tolls; but many of the tramways proposed to go through toll-bars, and we would get tolls in that case.

776. But if they do not go through the toll-bar, I do not see how you are damnified in that respect?—But then we should have power to bring the traffic upon them for tolls, and it would be better to have a power of this kind than for the trustees to have to put down a toll-bar.

777. But why should you have a toll-bar to catch the people going on the tramway if you do not place it now to catch them going in their private carriages?—We should be obliged if they were going to the toll-bar to charge a very high toll; we propose to give them the benefit of charging a certain sum per passenger, or per annum annual, or whatever it may be.

778. Your clause would enable you to charge a special toll, would it not?—Yes.

779. Why?—By the Act we have a special clause to the effect that a cart passing over the tramway for any distance exceeding 100 yards is liable for toll. It would be a very hard thing to charge a cart for only a quarter of a mile the same duty as if we were putting up a toll-bar which we charge to all the traffic.

780. *Chairman.*] The clause to which you refer contemplates the making of the tramway by the trustees of the road, does it not?—Yes.

781. Therefore you are charging a toll for the use of a roadway made by yourselves?—Yes.

782. Admitting that the thing might be done at all, would it not be reasonable to limit it, at any rate, to turnpike roads?—I mean that to be limited to turnpike roads.

783. Mr. *Ayrton.*] Where there is a debt to be paid, you wish to keep the fund for the payment of the creditor?—Yes.

784. I suppose that you have the power to compound for the tolls now?—For

Mr. *A. Hoggan.*

31 March 1870.

one year at a time. Under the General Turnpike Act for Scotland, and under the Act of 1861, we have only power to compound for 12 months at a time.

785. You wish to be able to compound for the length of the lease?—Yes.

786. *Chairman.*] If the tramway were made by some company or third party upon your road, then, I suppose, they would also relieve you from the expense of maintaining a portion of the road?—Yes.

787. In that case, why should you charge any toll?—Because there is a debt upon the road.

788. Mr. *Sclater-Booth.*] Why should you charge any more toll upon a tramway than you would upon an ordinary passenger?—We do not propose that we should charge more.

789, Is not that a part of the clause?—It is not.

790. Then, should you not modify the clause, and say that it should only come into operation when the tramway passes through a turnpike gate?—But that would necessitate the putting up of too many toll-bars.

791. How are those people going to avoid your tolls; you will be at no loss by having the tramways laid down, will you?—Not upon the roads; when they do not go through the toll-bars.

792. Therefore, your clause ought only to apply to cases when they do go through a toll-bar, ought it not?—If we found that there was great traffic upon those roads, and that it would necessitate further expense, we might have to put a toll-bar up, which would be a nuisance to the public.

793. But you have a right to make a special bargain with the parties?—Yes; and that is the reason why we wish for that clause. It would be a hard thing, I think, to charge the cars upon the tramways the same tolls as we charge other parties, because the companies have been at the expense of forming the tramways.

Mr. *Thomas Coates* called in; and Examined.

Mr. *T. Coates.*

794. *Chairman.*] You represent Messrs. Shoolbred?—I do, Sir. First of all, I am much obliged to the Committee for having permitted me to take the case now; I represent Oxford-street and the Messrs. Shoolbred. First of all the petitioners desire me to say that they wish for that amendment with respect to the Provisional Order; next, if you will remember in the amendments that I made for railway companies, among the parties to be heard are the parties who have frontages towards the tramway. I mentioned at the time that I brought in this clause that the railway companies are very little interested, and those petitioners are content with that amendment if the Committee are kind enough to adopt it.

795. What amendment is that?—That is the amendment to Clause 53, as to the persons to be heard before the Referee. Now, Sir comes another matter which is really an important matter of principle, and entirely different from anything which has yet been discussed. If you will observe, the 4th Clause prescribes that certificates authorising the construction of tramways under the authority of this Act may be obtained in any district by the local authority, with the consent of the ratepayers in such district, or by any other person with the consent of the local authority; then it goes on to say that they should be promoters, and then that the consent of the ratepayers in the district to the making of the tramway should be testified by a resolution of a majority of such ratepayers, assembled in meeting for the purpose of considering the tramway, and that when there is a road authority distinct that they should consent; I am not going to interfere with those consents at all. Whether they will work or whether they will not work, is a matter about which these petitioners take no interest at all. But they say this (and they say it I am satisfied with perfect truth) that the persons really interested in the construction of these tramways are the persons along whose street the tramway will be constructed, that the persons outside the streets may perfectly well consent to the construction of a tramway; their trade will not be interfered with, it is a mere question with them of the payment of rate, and it may perfectly well happen that the rates may be compensated by the tolls upon the tramway. But the persons who are deeply and immediately, and personally interested, are the persons before whose doors these tramways are to be made, and with respect to Oxford-street they have experience upon this matter. About four or five years ago (I can prove this by a witness,

a witness, if it is thought fit, but I dare say the Committee will assume that I have tolerably well made myself acquainted with the facts), a main drain was constructed down Oxford-street; Oxford-street was in that way blocked up for about six months. Here six months is not permitted; it is a smaller date I admit. But I can bring evidence to show that some of the small tradesmen in Oxford-street were absolutely ruined by that stoppage, and that even the more affluent had a very sensible difference made in their receipts during that time. What I propose on their behalf is that they likewise should be consenting parties, not that each should consent, but that two-thirds of the inhabitants of a street, two-thirds of the owners, and two-thirds of the occupiers of the property in a street in which the tramway is to be constructed shall assent to the construction of the tramway before it is so constructed; it seems to me to be at least reasonable that persons whose property is to be immediately effected shall not have that property injured by the votes of persons who will not be in any way themselves affected excepting by the payment of rates. There is this reason likewise: the street does not belong to the local authority, to the ratepayers; all that belongs to the local authority is the control over the street. The street belongs to the landowner, and the landowner gives up the street to the public for a specific purpose, namely, for the use of it as a thoroughfare. But the street itself belongs to him, the soil belongs to him, and that is demonstrated by this: that underneath the streets of London there are cellars and sometimes vaults (call them by the larger or by the smaller term) which belong to the owners of the property. Therefore it seems to me, at all events, a very strong proposition that the ratepayers shall interfere with that property (modified, I admit), take possession of it, injure the property for which the street was constructed, namely, the houses by the side of the street, and that the owner should have no voice in the matter, neither he nor any of his tenants. I do not know what the view of the Committee is, and perhaps I may be met by this kind of thing, that the Act will not work. I am not responsible for the working of the Bill at all. All I am responsible for is that there shall not be, by this Bill what seems to be a gross injustice involved ostensibly for public purposes, but which, perhaps, may be the ruin of private individuals. For that purpose I have prepared a clause to say that, with the consent of the parties, the corporations may squabble for power, and the vestries for protection, or whatever it may be, as they think fit; all I say is, that the parties whom I represent ought to have a voice in dealing with their own property; if shopkeepers for keeping their shops open, and if private individuals for access to their houses. This seems to me to be perfectly manifest.

796. Mr. *Ayrton.*] In what way do you think the parties are to be injured in the laying down of a tramway, provided that a tramway is laid down so as not to interfere with the general use of the road?—If that hypothesis is founded upon fact, I am content; but, supposing that it does obstruct the road, the provisions of the Bill are these, if you will be kind enough to look at page 8 of the Bill: "They shall not, without the consent of the road authority, open or break up at any one time a greater length than 100 yards of any road."

797. Is the observation which you have made to be applied only to the power of breaking up the road for the making of the tramway, or to the use of the tramway?—It applies to both the one and the other.

798. Will you kindly keep them separate?—By the Compensation Clause, I do keep them separate; that is to say, that supposing the trade of a shop can be proved to have suffered by the construction of a tramway, namely, that the opening of 100 yards of a road, and the keeping it open during six weeks (for if you look at line 10 you will see that six weeks is the time specified), really did injuriously interfere with the shopkeeper's business, he is entitled to compensation. These are apparently small matters, but they are not, in fact, small matters to individuals, and the Committee are here, I take it, to protect both the small and the great; and supposing it can be shown that the takings of a shop have been manifestly interfered with by the opening of a street for 100 yards for six weeks, I take it that there ought to be a compensation.

799. Mr. *Sclater-Booth.*] Even if the owner of the shop had been one of the consenting parties?—I admit that I have not provided for that; if he is one of the consenting parties, I think he ought to be precluded entirely.

800. Mr. *Ayrton.*] They would consent to terms of compensation that they thought fit?—Quite so.

Mr. *T. Coates.*

31 March 1870.

801. Then their consent upon that hypothesis would not be necessary if they were entitled to compensation?—I would modify my clause even to that, but I think in the first place they ought to be asked to consent. The mere fact of a tramway being laid down ought not to give a right to compensation; there should be a proof of injury, and if there is proof of injury, then I take it that according to all analogy, where private property is affected for public purposes, there ought to be compensation; in fact, I know of nothing in anywise approaching to this: that private property can be injuriously affected for a public purpose, without compensation to owners and occupiers.

802. Excepting the laying down of water-mains, for example; you would say in that case that the time during which the road is open is not sufficient to create an injury?—No, Sir; and here it is a question whether even the tramway itself will be beneficial; that a street should be supplied with water and gas is quite unquestionable.

Mr. *Ayrton.*] Now you are going to another ground.

803. *Chairman.*] You say you know of no case of the same kind; but are you aware that in Scotland an Act has been passed enabling the road trustees to lay down tramways?—That is upon public roads, but I am only talking of streets in a town.

804. But those public roads pass through the streets of the town of Glasgow, and, in fact, they are the streets?—I hope it is not improper for me to say that that Act took us all by surprise.

805. Whether it took you by surprise or not, are you aware also that the town of Birmingham has power to lay down tramways without the consent of the shopkeepers?—I do not know, Sir, what evil has crept into our legislation.

806. Mr. *Ayrton.*] What power have gas and water companies now to break up the roads?—It is to be done under the superindence of the authorities, and with all reasonable dispatch. I do not think there is any time limited at all. It is a general power to open the streets as long as may be necessary under proper superindendence.

807. You were going to give us the other head, as to the use of the tramways?—During the construction it may be that a very small injury is done; but I will suppose that a tramway goes along each side of Oxford-street, there is nothing which prescribes that it should be done in the middle of the street. Then there is a provision in the Bill that it shall be penal to obstruct the passage along that tramway; it is a penal act; a carriage goes up to a shop door; I do not know who is to have precedence. It is my firm conviction, that certainly according to the provisions of the Bill, the tramway carriage will have precedence, and the other carriage cannot drive up to the shop-door. I will assume that there is really an impediment towards drawing up a carriage at a shop-door. That will undoubtedly interfere with the custom of that shop, and will induce people to go to some other shop where there is no such impediment. I do not want the mere fact of a tramway going along the side of a street to be a ground of compensation; all I ask is, that supposing it can be proved that the custom of the shop has been diminished by this means, the promoters should pay compensation for that injury. That seems to me to be consistent.

808. *Chairman.*] Supposing it to be proved after the tramway has been laid down, then you would give them a term within which claims should be made?—I am content that there shall be such a time.

809. Say one or two years after the line has been laid down?—Yes.

810. If damage is proved, then that the owners or occupiers of houses should have compensation?—Quite so. I am content with two years. There is plenty of analogy; there is analogy in the case of bridges. Where, for instance, a bridge has been built near a ferry, the owner of the ferry has had compensation awarded to him. Supposing that after keeping accounts he can prove that the ferry has been injured by the coincidence of the bridge existing.

811. Mr. *Ayrton.*] Assuming that there is a prohibition for putting tramways in front of peoples' houses, so as to prevent carriages standing there, there would seem to be no difficulty in that respect?—In that case there would be no impediment to the business of the shop; but then the claim to compensation would not arise.

812. You do not think, therefore, that the inhabitant of the house ought to have any right to appear unless it is proposed to lay the tramway along the front of

of the pavement, so as to prevent his getting to his house?—Yes, I think he must be able to show that the position of the tramway will be an impediment to the access to his house.

813. Mr. *Dent.*] Supposing that there is any particular scheme of tramways laid down the centre of a street; you want to make it requisite that two-thirds of the householders residing in that street should consent?—Within a town, I think it is clear that it ought to be so. Oxford-street is a wide street, and it is a case rather against me, I think, than in my favour; but the traffic along that street is so great that anybody who has to cross it knows that it is not too wide for its present purposes. Take away from it, say 14 feet, and the whole use of the street will be greatly obstructed.

814. Mr. *Hibbert.*] Take a case like the Liverpool tramway, which consists of a rail on each side, there being sufficient room for two carriages to pass. You do not suppose, that in a case of that kind, it is necessary for the occupiers to give their consent?—I think, that if you could measure the streets, that would be a very rare case.

Mr. *Hibbert.*] That is the case at Liverpool. There is only one line of tram there.

815. *Chairman.*] Are you aware whether any compensation was given to the shopkeepers or occupiers of houses at Liverpool?—I cannot tell at all, but I should think it was very unlikely. But it is a serious principle that individuals should suffer for some special public good, assuming this to be a public good.

816. You assume that they will suffer by it?—Unless they suffer, they will have no compensation, for they will have to prove their sufferings.

817. But is it likely that anybody will lay down a tramway, with the prospect of claims against him by shopkeepers two years afterwards?—I think so. The notion of promoters will always be, that there will be no injury inflicted upon anybody. Their notion is, that the shops will be most frequented, where there is access by tramway.

818. You must have great experience in schemes of this kind, though not perhaps of tramways; do you think it probable that anybody would promote a scheme for a tramway, if two years after it was laid down there was a prospect of a claim for compensation from every owner and occupier along the street?—Indeed I do. I have great faith in the sanguine views of promoters.

819. Mr. *Sclater-Booth.*] Especially if they have power to sell their concession before the two years have expired?—Certainly.

820. Mr. *Cawley.*] I should like you to point out how an arbitrator is to judge, or to found his decision as to whether the property is injuriously effected, or whether the shopkeeper's trade is interrupted by the tramway?—I perfectly understand the difficulty which the injured man will have. It is one of the objections to the scheme. He must overcome that difficulty as best he may, and the way in which it would be done would be probably this: he would have to prove his average receipts during a certain number of years beforehand; and he must prove the receipts he has had during the succeeding two years.

821. Precisely so; but does not that involve also the question of the question as to what had been the cause of the falling off in the receipts?—No doubt if he can show that he has invested the same capital, that he has kept up the same establishment; that he has been guilty of no neglect in his trade, and that, nevertheless, the loss has occurred. I take it that an arbitrator will be very apt to give him compensation.

822. But would it be fair and just for the arbitrator to assume that the falling off had been a necessary consequence of the making of the tramway in ignorance of all the other circumstances?—It would not be in ignorance of all the other circumstances, because the same establishment, and so on, would have been maintained.

823. But I apprehend that it would not be in their power to bring evidence as to the circumstances of competition with other traders, or as to the mode in which he has carried on his own business?—I know of nothing which is to exclude all kinds of evidence before an arbitrator. If a man claims compensation he has to prove his case, and those from whom the compensation is claimed have to disprove that case.

824. But how are they to disprove that case when the affirmation is simply,

Mr. *T. Coates.*

31 March 1870.

"I have lost so much money, and I have done nothing different from what I did before?—That can be rebutted by other evidence.

825. You know the cases which have already been decided in reference to the effect of the Charing Cross Railway Station, in which the Court of Exchequer Chamber lay down the rights of parties in a public highway. That was where a claim was made by a man who was a baker on the other side of the Charing Cross Railway Station, for the injury done by the alteration of the roadway, and putting up that flight of steps down which you go to pass under the railway. The Court of Exchequer Chamber decided there that he was not entitled to compensation?—The words "injuriously affected," I think, in the 68th clause of the Lands Clauses Act may, or may not, have reached his case. I hope that the words that I have put in my clause will reach my clients' case.

826. Lord *George Hamilton.*] I suppose your assumption that the mere fact of tramways being laid down in a crowded street would affect the trade of those who had frontages in that street is founded upon the experience of those who have frontages in Liverpool and Manchester, where tramways are laid down?—I do not know whether in those places they have been injuriously affected or not. All I do know is, that my clients believe that it will be, if not ruinous, certainly extremely injurious to them, and then I say, speaking with great deference, that the legislature ought not to pass any Act whereby any injury may be inflicted upon any individual without giving that man some means of redress.

827. *Chairman.*] Your clients say that they believe that if these tramways are laid down in front of their houses it will be ruinous and injurious to them. Is that on the supposition that the tramway is immediately in front of the houses, without an interval between the tramway and the shops.—Not necessarily; but it may be that the tramway forms such an impediment to the traffic of the street, the people will go down another street.

828. Is that founded upon experience, or is it merely a supposition?—So far as my clients go it is a supposition. They say, "This is what we apprehend will happen to us."

829. But have they any evidence to show that in any places where tramways have been laid down such injuries have followed?—I do not believe they have, nor, as the honourable Member behind me suggests, would it be very easy to prove, because it might be met by the suggestion that it might arise from other causes.

830. But there are many places where tramways have been laid down, not perhaps in England, but elsewhere; and I presume it would be possible to bring experience to bear upon the result?—Scarcely within the last 10 days. The only people that I have come into contact with are promoters of tramways, and they all vow that it produces advantage to every shop where it passes.

831. You propose that where any tramway passes along any street the consent in writing of two-thirds of the owners and occupiers of the street should be required. What do you mean by the word "street" there? Do you mean along the whole length of the line upon which it is proposed to lay down a tramway?—No, each specific street.

832. So that if one street out of several objects, the scheme may be prevented?—It may be turned down another street.

833. But what is your definition of a street?—I am not at all sure that there is not a judicial definition. Street is a space bounded by houses on each side.

834. Without any street at right angles coming into it; is not that so?—No.

835. I was under the impression that that was the legal definition; what do you propose by that clause?—This: that supposing (which is the most unlikely thing in the world) that the promoters shall desire to lay a tramway down Oxford-street, they shall get the consent of two-thirds of the owners and of two-thirds of the occupiers in Oxford-street to their scheme.

836. But supposing that it is proposed to go down only a portion of Oxford-street?—Then I must amend my clause to that end, "or so much of the street as the tramway is intended to go down."

837. Mr. *Ayrton.*] Is it your view, that if the tramway is laid down under the Bill in a manner specifically injurious to the inhabitants of the street either by obstructing the access to their houses or by obstructing the thoroughfare, their

their consent ought to be required ; but that if they are prohibited from laying down the tramway in that manner, and are required to lay it down in a way that is not obstructive to access and to the use of the thoroughfare, then the consent of the inhabitants need not be obtained ?—I do not go quite to that, because I do not quite see who is to determine the primary question that there is to be no injury to the inhabitants.

838. You have taken two objections ; one is, that if the tramway is laid along the side of a street it will obstruct the access to the houses ; and you have said also that keeping the thoroughfare closed for six weeks would be a great injury. You have also told us that gas and water companies are allowed to take up the road, and that it has never been found yet to be any injury requiring compensation ?—I do not say that.

839. Do you know any case in which compensation has been given to the inhabitants of a street for the taking up of the road for the purpose of laying down a gas or water main ?—No ; nor do I believe that any compensation would be obtained.

840. Is it not obvious to anyone that you can lay a tramway on the surface of a road much quicker than you can take up the road and lay a gas-pipe and make the road up again ? If the same power were given to the tramway there would be rather less ground for compensation in the case of the tramway than in the case of a gas and water company, would there not ?—The difference is this, that the gas and water are necessaries of life ; but we have been going for many years without tramways, and they are not necessaries of life.

841. But you opened with the case that the compensation was to arise from the obstruction of the thoroughfare ?—Quite so.

842. I am pointing out to you that it is an obvious fact that less time is required to lay down a tramway on the surface of a road than to dig up the road and to lay down a water-pipe, and fill up the diggings and replace the road ; and, therefore, as it can be done in less time, it is not obvious that it can be done, if Parliament imposes conditions in such a way as not to give rise to any claim for compensation ?—If it can be done so as not to give rise to any claim for compensation.

843. So as not to give rise at all events to any greater ground for compensation than would arise in the case of a gas or water main ?—I fully admit that the analogy is against me, but the motive is different.

844. Because one is for the benefit of the Gas Company, and the other is for the benefit of the Tramway Company ?—No ; the one is for the supply of a necessary of life to the inhabitants.

845. Is gas a necessity of life ?— It has become so, and water undoubtedly is.

846. Has not locomotion become a necessity of life ?—It has ; but locomotion upon a tramway, in a groove, has not become a necessity of life.

847. Is it not as much a matter of necessity to ride in a cheap carriage as to have cheap light ?—I think not.

848. Mr. *Sclater-Booth.*] May it not be that the shopkeepers may be more interested in the private carriage traffic than in the omnibus traffic ?—Just so.

849. Mr. *Cawley.*] I suppose you are aware of this : that in the repair of Fleet-street for instance, the entire traffic has been stopped for two or three days, and the shopkeepers have been deprived of a large portion of their custom during that time ; and you are also aware that they have no compensation for that stoppage ?—I quite admit it ; but the existence of this evil, and of this great private injury in one case, does not seem to me to justify it in another.

850. Mr. *Ayrton.*] Does it not rather point to the fact that there should be a provision that there should be no greater injury in this case, seeing that no greater injury is necessary than in any other case ?—Yes.

851. *Chairman.*] Supposing the shopkeepers are fully heard before the referee, and afterwards before Parliament, do you not think that their interests will be fully preserved ?—No ; a landowner has full opportunity of being heard, not before this thing that they call a referee, but before Parliament ; but still he is entitled to be heard, not merely in respect of the taking of his land, but in respect of the injurious affection of his land. The words being "heard," though very consolatory, are not consolatory as compensation.

852. But if damage is proved in a particular case, either before the referee or before

Mr. *T. Coates.*

31 March 1870.

before Parliament, some clause can be inserted to meet his particular case?—That is all I require. All I desire is, that supposing injury is proved, that injury shall be compensated in money.

853. Then that will arise in each individual case, and not in the general Bill?—And so it ought.

Mr. *Ayrton.*] Provided you get a reservation sufficiently extensive.

854. Mr. *Sclater-Booth.*] You mean to carry into tramway legislation the same provision that there is in railway legislation for compensation?—Quite so; and not only in railway legislation, but in all legislation.

855. Mr. *Cawley.*] Are you not aware that the measure of the title to compensation as laid down by the Courts under the Lands Clauses Act, is for injuriously affecting, for which a party would have had a right of action at common law if it had followed the Act of Parliament?—I had the satisfaction of reading before I came here this morning, the judgment of the House of Lords upon the case which is now the leading case, and I hope I have protected my clients against the imperfect wording of the Lands Clauses Act Consolidation Act.

856. That may be; but is not that so at this moment?—At this moment it is quite clear that there has been a different opinion in all the courts as to the meaning of the words "injuriously affected."

857. But the House of Lords has not, I think, upset that particular point, that it must be an injury for which the party would have had a right of action had it been done without the authority of an Act of Parliament?—That is so.

858. Then the question here, I take it, would be this: supposing that the shopkeepers are injured by the use of the street by traffic, and there is no railway down it at all, but the injury merely arises from the traffic passing along, which obstructs the use of the street, they would not be entitled to compensation?—Clearly not.

859. Lord *George Hamilton.*] Your argument was founded upon the supposition that the majority of persons who use tramways will only experience the benefits, and not the disadvantages of the system, as they will not reside in the street in which the tramways are laid down?—There are those who say so.

860. Can you tell us anything about the profits of the companies that have tramways?—Indeed I cannot; I have never heard them stated.

861. But I suppose it is fair to assume, from the great anxiety to get permission to lay down tramways, that they will be considerable?—I take them to be very large indeed.

862. And that they will so far monopolise the traffic as to drive all the omnibuses now in use off the streets in which they are laid down?—Yes.

863. And that, therefore, the more crowded the streets were, the greater would be the profits which they would derive?—No doubt.

864. And therefore you think there would be greater attempts made to lay tramways in the crowded thoroughfares in London than in others?—No doubt.

865. And consequently the interests of all who have frontages in those streets would be more affected than the interests of those who have frontages in other streets?—Quite so.

866. And that they are not sufficiently protected by this Bill?—That they are not in any way protected by this Bill, because beyond all question they would be out-voted by those whose property is not all affected by the construction of the tramway in the street, and who may get benefit from the toll.

867. Perhaps you are aware that in Broadway, New York, which is the only street in that city similar to Oxford-street, where the traffic is excessive, tramways are not permitted?—I did not know it, but it is a very pregnant fact. I am here likewise for omnibus companies, and I am tempted to say something by what the Town Clerk of Glasgow said exultingly, that the omnibuses were all driven away. I do not see my way precisely to the protection of this interest which has become a great interest, and therefore I will not trouble the Committee about it.

868. Mr. *Ayrton.*] They can themselves take up the system of tramways and put their omnibuses upon them?—It is to be hoped so.

Mr. *Walpole Eyre Greenwell*, called in; and Examined by Mr. *Granville Somerset*.

Mr. *W. E. Greenwell.*

31 March 1870.

869. You are the vestry clerk of the parish of Marylebone, are you not?—I am.

870. When did you first hear of what was proposed by the Metropolitan Board of Works before this Committee?—On Tuesday last; the day before yesterday.

871. And I dare say that since that you have read the speech of my learned friend Mr. Rodwell, the Counsel for the Metropolitan Board of Works?—I have.

872. In that speech to the Committee did you see that Mr. Rodwell introduces an address from a body of gentlemen, claiming to act on behalf of all the vestries in London, from a meeting held the 17th March 1870, Mr. Clement George in the chair; do you know anything of those gentlemen, and do they in any way represent your vestry?—A committee of that sort was appointed some 18 months ago upon some particular subject which had been discussed at the vestries, and they had met occasionally since that time; but they in no way represent our vestry, nor a great many vestries in the metropolis. Of course they could not represent the vestry upon any subject which had not been brought before the vestry.

873. Then you entirely disclaim their right to state that they represent you in this matter?—Quite so. Their opinion may be very valuable as coming from individuals, but they do not represent anything but themselves.

874. Certainly they do not represent Marylebone?—Certainly not.

875. Will you tell the Committee shortly, the number of parishes with which you have communicated, and what their replies are, whether negative or affirmative, as to being represented by those gentlemen?—I communicated with all the vestry clerks and clerks of district boards in the metropolis, as to whether any resolution or deliberate opinion had been recorded in their vestry upon the subject of the Bill introduced by the Government, with regard to tramways. The question I put to the vestry clerks and clerks to the district boards, after stating what had been proposed, was this: I asked in conjunction with a gentleman, the clerk of the district board of Whitechapel, this question, "Whether any resolution or deliberate expression of opinion has been passed or recorded by your board, approving of the alteration of the Bill by the substitution of the Metropolitan Board of Works for the vestries and district boards of the metropolis?" That was the question that was asked. The original answers are here with an epitome, and I will read them if you please.

876. You passed a resolution in Marylebone, unanimously I believe, dissenting from the view of the Metropolitan Board of Works?—Yes, last Thursday and to-day, a petition was presented to the House, stating that they dissent from that view. At Lambeth vestry, there has been no resolution, and the vestry clerk believes that the vestry will strenuously object to the Metropolitan Board of Works being substituted for the local authority.

877. Have you written to the different vestry clerks, and what answers have you got, negative or affirmative, as to any resolutions by the vestries in favour of or against this measure?—As to any resolution giving authority to that deputation or committee to represent the vestry as a representative body,—Lambeth vestry, no resolution; St. George's, Hanover-square, no resolution approving of the alteration, but a resolution approving of the Bill; St. Leonard's, Shoreditch, no resolution; I must not go further; Paddington vestry, not authorised any committee to report them as favourable to the Metropolitan Board having control of a street tramway; St. Mary, Newington, passed a resolution in favour of the change, as they were led to believe that the majority of vestries and district boards were desirous of the substitution; they are not represented upon the United Metropolitan Vestry's Committee; Camberwell, no resolution; Bermondsey, no resolution, not represented; St. George's, Southwark, no resolution; St. Mark, Islington, no resolution; St. Luke's, Old-street, no resolution; St. Martin-in-the-Fields, no resolution; Mile End Old Town vestries, not expressed any opinion; Whitechapel district, no resolution; Greenwich, no resolution; Wandsworth district, no resolution; Holborn district, no resolution; Poplar district, no resolution; Woolwich district, no resolution; St. Olave, no resolution;

Mr. *W. E. Greenwell.*

31 March 1870.

resolution; Fulham, no resolution; Westminster Board of Works, no resolution; Hackney, no resolution; Bethnal Green, no resolution; St. Luke's, Chelsea, a resolution since the deputation (that is on March 29th) attended Mr. Shaw Lefevre, but no resolution at the time of the deputation; St. James, Westminster, a resolution approving of the resolutions of that committee.

878. If I gathered rightly from that paper, there were resolutions from two of the vestries and boards in favour before the deputation waited on the honourable and learned Chairman, and there has been one resolution in addition since?—Yes, quite so; that is three; but I should explain that the resolutions with regard to a central authority do not say distinctly the Metropolitan Board of Works, even the resolutions in favour.

879. You, appearing for Marylebone, greatly object to having your jurisdiction ousted, and that of the Metropolitan Board of Works substituted in this respect?—That was the unanimous feeling of the vestry after discussion.

880. Will you tell the Committee, as shortly as you can, their reasons for that view?—The paving is under the authority of the vestries and district boards and they consider that the construction, or the management of the tramways after their construction, should be under the same jurisdiction; that they should go together.

881. They think, if I understand it rightly, that the conflicting interest would be very prejudicial?—They consider so.

882. In fact, I suppose that I may take it that they consider that the local authority will be better able to take care of the interests of the district than the Metropolitan Board of Works?—They consider that they know the wants and feelings of their district better than the Metropolitan Board of Works would do.

883. You were in favour of the Bill originally, I believe?—As introduced by the Board of Trade.

884. You presented a petition against this Bill?—There was a second petition against the alterations.

885. "That so long as such consent was necessary," that is, as the Bill was originally introduced, "your petitioners had the power of determining whether or not the laying down of tramways within their parish should be sanctioned. That your petitioners have been informed that the Metropolitan Board of Works have applied to your honourable House for an alteration in the said Bill, so as to make them a local authority for the giving of such consent within the Metropolis, and thus ignoring altogether your petitioners and the other metropolitan local authorities. That your petitioners submit that this is inexpedient and ought not to be sanctioned, but that your petitioners ought to have a control over the construction of tramways within their parish, subject always, so far as may be necessary, to an appeal to the Board of Trade, in the case of the views and decisions of your petitioners being antagonistic to the public interests;" that is what you wish to place before this Committee as the feeling of the vestry?—It is.

Cross-examined by Mr. *Rodwell.*

886. You are aware of the resolution passed at the Metropolitan Board of Works, on the 25th of March, with regard to this Bill; are you aware that it was resolved that so much of the Report as relates to the Tramway Bill introduced by Her Majesty's Government, be approved, and that the board do concur in the view expressed by the Committee, to the effect that the board should be constituted the local authority for exercising all the powers as to the tramways?—Last Friday.

887. Do you know that all those persons (*handing a paper to the Witness*) were present on that occasion, and did not utter any protest against that resolution?—No, I am not aware of that at all; I do not know who were present.

888. They did not tell you that?—No; no notice was given of that resolution previous to the Friday.

889. Is it not a fact that the vestries, with regard to roads, with regard to raising funds, with regard to their bye-laws, with regard to stopping up streets, with regard to naming streets, with regard to the placing of roadways where roadways run into two parishes, and putting them into which parish they please, and

and with regard to various other matters, are, so to speak, under the control of the Metropolitan Board of Works?—I know the Act.

890. Is that correct?—I do not hear you say anything about the construction of streets.

891. Yes?—I am not aware that they are.

892. That is section 73 of the Metropolitan Local Management Act (*handing a paper to the Witness*)?—That is the bye-laws.

893. Do you differ from me in the statement that the vestries and districts are obliged to have the consent of the Metropolitan Local Board for the carrying out various improvements in dealing with their roads, buildings, and various other matters of a similar character?—That depends upon the specific power given to the Metropolitan Board of Works. The Metropolitan Board of Works have certain powers with regard to particular matters, but not as to the construction and paving.

894. But you cannot stop up a road, can you?—No; that requires the approval of the Metropolitan Board of Works.

895. And the numbering of streets, and the naming of streets?—Yes; there are specific powers given.

896. What is the conflict of authority which you think there would be?—If the vestry has the sole construction of the paving and the mode of paving, and the Board of Works has the construction of the tramways, there are two authorities in one street, and therefore no doubt a conflict would arise.

897. In repairing the street?—In the general repair and cleansing, and the whole system of the managing of the street, there will be two authorities having one jurisdiction.

898. Are you aware that that was the resolution of St. James's parish (*handing a paper to the Witness*)?—Yes.

899. "That in order to secure to the metropolitan community the utmost advantage that can arise from the formation of tramways in the streets for facilitating intercommunication, and at the same time reducing to the utmost the inevitable obstruction and inconvenience which will be occasioned to other traffic by their introduction, as also to the householders on the lines, it is desirable that the necessary routes should be laid out, and the trams constructed on one well-considered comprehensive scheme for the whole metropolis, and also worked under the direction of one central authority; that the Metropolitan Board of Works, constituted as it expressly was for promoting and effecting improvements in the metropolis, is the body on which that duty should devolve; that it be respectfully urged upon the Metropolitan Board of Works to seek from Parliament the concession of the privilege to construct tramways, and to direct the traffic management of the same, and to apply the accruing profits for the public improvements of the metropolis in relief of the rates"?—Yes, that is an exception to the rest of the metropolis which I have given.

900. Now there is Newington; I will give you Newington again, "The vestry approve of the scheme that the local authority for the whole metropolis should be your board, who should have power given to make the tramways; the consent of the ratepayers ought not to be required"?—Yes, I mentioned Newington; but that was believing that the majority of the vestries were in favour of the scheme, but they were not represented at the vestry committee appointing the deputation.

901. About this united vestry; Mr. Clement George is a name with which I am familiar in the public journals, but those, I suppose, are gentlemen of position in their own parish who constitute this united committee?—I have nothing whatever to say against the position of Mr. George or of any other gentleman constituting that committee; but what I say is, that they are not the representatives of the vestry for this purpose.

902. However, those gentlemen have expressed an opinion *quantum valeat* in favour of our view?—Of course any gentlemen meeting together may express an opinion, and it is good *quantum valeat*, but I say that those gentlemen do not express the views of the vestry, nor had they the authority to do so; and if the matter is discussed in the vestries, an overwhelming majority of the vestries would emphatically dissent from their views.

903. You know that those representatives at the vestries voted in favour of the Metropolitan Board of Works?—They are not representatives of the vestries for that matter.

Mr. *W. E. Greenwell.*

31 March 1870.

904. Mr. *Ayrton.*] Though they are elected by the vestry, they represent the whole parish for certain purposes?—Quite so with 118 other gentlemen.

905. Mr. *Cawley.*] Are you speaking of the United Vestry Association as distinguished from the Board of Works?—There was some particular subject of metropolitan interest (I forget for the moment what; some Bill in Parliament) some 18 months ago, and the vestries did appoint certain members of their body to discuss it, and they came to an opinion upon that particular Bill (I forget the object of it; some Gas Bill, or some matter of that sort), and there, of course, their functions ought to have ended; but instead of that, they have occasionally met upon other subjects from time to time as the St. Pancras Vestry possibly wished to call them together. But in the origin of the matter the Marylebone Vestry passed a resolution repudiating that body as representing them with regard to general matters, and a great many vestries have never sent deputations or gentlemen to represent them at the Committee at all.

Re-examined by Mr. *Granville Somerset.*

906. Then, in fact, however valuable their opinions may be as private gentlemen, they in no way represent the petitioners?—Of course not; it would be perfectly irregular and perfectly unconstitutional, if I may say so.

Mr. *C. S. Grundy*, examined by Mr. *Newall.*

Mr. *C. S. Grundy.*

907. I BELIEVE that, as Deputy Chairman of the Manchester Carriage Company, you wish to make a statement to the Committee?—There are one or two points upon which I should be glad if the Committee would allow me to say a word or two. With regard to the notice, the tramway referred to runs through about a mile and a-half of district, two-thirds of that distance, or about a mile, is within the borough of Salford, the other half mile is under the management of the Pendleston Road's Trust. The portion which we have had a notice to remove is that portion which is under the jurisdiction of the irresponsible body of gentlemen constituting that trust, and the notice has only been given since the agitation in favour of tramways has taken place in the district. There can be no moral doubt whatever that it has been given with the express view of prejudicing the question when it came before Parliament. As to that portion of the tramway which is within the jurisdiction of the borough of Salford, which is, of course, a popularly elected body, we have received no notice from them; and neither by one body or the other has any official complaint been received as to that tramway during the whole of the eight years during which it has been down. Just one word to compress our case into a very short space. Whatever may be the effect of tramways upon other parties, as far as being beneficial or otherwise, we are about the only parties whose interests could be seriously affected; in fact, who could be vitally affected by the Bill as it at present stands, for this reason: we are an omnibus company doing a large business in the district. If we had been parties who had absolutely set our backs against any improvements of this kind, we should have deserved, like other old-fashioned people, to have gone to the wall; but we have thrown ourselves abreast of this movement, and have endeavoured to meet public demands by promoting Bills in Parliament; and, therefore, we think that we ought not to be put on the same footing as any company or person who might come to the local authority under this Bill, because we have spent large sums of money in complying with the Standing Order of last year's Committee, and in preparing plans, and having surveys made, and so on.

908. Mr. *Ayrton.*] Is the road along which your tramway goes, both within and without the town of Salford, a paved one?—Mostly. The part under the trustees is macadam.

909. And then you have put a piece of paved road with the macadam road?—No, I believe not.

910. Then you have laid down a tramway in macadam?—Yes, that is so.

911. And in the Salford district there is a paved road?—Yes.

912. And that is the difference?—That is the difference.

913. Do you think that is not sufficient to account for what you have stated without

without imputing motives?—It is very difficult to say anything about it without imputing motives. We entirely concur that the clause in the General Bill restricting the wheel to a flanged wheel ought, by all means, to be struck out if the Bill is not to be made entirely inoperative as far as Manchester and Salford are concerned. A flanged wheel, to work satisfactorily, requires a double line of rails, because you cannot so form the omnibus that they can hit a particular point at one moment of time. I just want to point out to the Committee that there are no less than 20 streets or roads in the neighbourhood of Manchester or Salford along which it is proposed to lay tramways which are distinctly too narrow for a double line of rails. Therefore the Bill would be positively inoperative so far as Manchester and Salford are concerned, unless the condition pointed out by the town clerk of Manchester were adopted. That is a point which I am most anxious to impress upon the Committee, because I am convinced that if the Bill is to be at all operative that condition must be adopted.

Mr. C. S. *Grundy.*

31 March 1870.

[Adjourned to Monday next, at Twelve o'clock.

Monday, 4th April 1870.

MEMBERS PRESENT:

Mr. Ayrton.	Mr. Sclater-Booth.
Mr. Cawley.	Mr. Shaw Lefevre.
Mr. Dalglish.	Colonel Wilson Patten.
Mr. Dent.	Mr. Loch.
Mr. Hibbert.	

GEORGE JOHN SHAW LEFEVRE, Esq., IN THE CHAIR.

Mr. *Joseph Rayner*, recalled; and further Examined.

Mr. *J. Rayner.* 4 April 1870.

914. *Chairman.*] Do you wish to make any statement in correction of the print of your evidence as given on Wednesday last?—Yes; the following letter should be inserted upon the notes of the evidence at page 61, Answer 520, instead of the letter which is there inserted:

"Liverpool, 454, Castle-street, 19th March 1870.

"Dear Sir, Public Tramways Bill.

"We are authorised by our clients to assent to the insertion of the clause annexed to your letter of 17th instant. We would, however, beg to suggest the addition of the words 'rights and privileges,' after the word 'powers,' in the third line.

"Yours faithfully,

"*J. B. Lloyd, Garnett, & Lloyd.*"

Mr. *John Layton*, called in; and Examined.

Mr. *J. Layton.*

915. *Chairman.*] WHAT statement do you desire to make to the Committee?—I am the Vestry Clerk of St. Mary's, Islington. The vestry of Islington represent a population of 400,000 persons, with roads under its jurisdiction 80 miles in extent, and a rating of nearly a million a year. They desire to express their approval of the Government Bill: and at a meeting held on Friday last they passed the following resolution: "That this vestry strongly approves of the principle of the Government Bill, and is of opinion that the provision which defines the 'local authority' in the Metropolis to be the vestries and local boards is a proper and convenient one, inasmuch as the last-named bodies have the control of the streets, and are in a better position to judge of the convenience, or otherwise, of tramways being constructed in their respective districts than the Metropolitan Board of Works can be. That the vestry clerk be instructed to attend the Select Committee of the House of Commons on Monday and submit the above resolution for their consideration. That Mr. Layton be instructed to state to the Select Committee, that this vestry never gave its sanction to the principle of the Metropolitan Board of Works be substituted for vestries and district boards as the local authority in the Metropolis."

916. Then the vestry of Islington is satisfied with the Bill as it stands?—Yes.

Mr.

Mr. *John Morris*, called in; and Examined by Mr. *Thomas*.

917. I BELIEVE that you are a solicitor, having now, and having had for a great many years, a large practice in London?—Yes, in the City.

918. Have you practised for some time in the line of joint stock companies' business?—Yes.

919. Especially, I believe, joint stock companies' business under general Acts of Parliament?—Yes.

920. I think that you are also interested in tramways?—Yes.

921. And that that interest has caused you to acquire considerable knowledge of the tramways generally as laid down on the Continent and in America, as well as in this country?—Yes.

922. And I believe that you and your friends and relations are also considerably interested as investors in tramways?—Yes, considerably.

923. And for those reasons you have been asked to give evidence here (it being desirable to shorten the inquiry, and the number of witnesses) as a selected witness to represent the tramway interest?—Quite so.

924. As regards the Government Bill, is it the fact that the tramway interest is anxious that that or any other Bill to facilitate the construction of tramways should pass?—Certainly.

925. So far, therefore, as it will facilitate their construction or save expense in that construction, you are anxious to support it?—Decidedly.

926. Are you in a position to know that large amounts of capital will be invested in the construction of tramways in England if facilities are given for it?—Yes, I know that there is a large amount ready to be invested if it can be done upon business principles, that is to say, without any unnecessary obstruction.

927. Mr. *Sclater-Booth*.] In what sense do you mean money invested in tramways?—I mean street tramways.

928. For what purpose?—For omnibus traffic.

929. Mr. *Thomas*.] Street tramways worked by horse-power for omnibus traffic?—Yes.

930. As regards the general scheme of this Bill, so far as it applies to consent cases, and gives facilities for those cases, does it meet the views of the tramway interest?—Yes.

931. Do you think that it is possible, by a general measure, to provide for cases other than consent cases?—I am afraid not.

932. If you could have one general tribunal without appeal, and whose judgment would be satisfactory in the interest of the tramways, you would desire that such a tribunal should be established?—Certainly.

933. But do you fear that in the attempt to establish new tribunals, greater complications, and a greater number of appeals would arise, and in the end a greater expense would be incurred than under the present system of private Bills?—I am very much afraid of it.

934. You remember, I dare say, the Preliminary Inquiries Act, and its working?—I had no personal experience in it, but I have made inquires.

935. You remember that there was a machinery worked by a referee appointed by two Government Departments, the Admiralty and the Woods and Forests, that he made an inquiry in the country, and that then there was practically an appeal to both Houses of Parliament, and a Private Bill afterwards?—Yes.

936. Was the effect of that altogether that a very large amount of increased expense was entailed upon the promoters?—So I am told; I have no experience in the matter, but I have inquired, with regard to the Preliminary Inquiry Act, of a gentleman very well known at this bar, Mr. Webster the Queen's Council, and he tells me that he was one of the referees, and that the effect of the preliminary inquiry was practically nugatory, although the expense was something enormous. I have by me what he has been kind enough to lend me, a volume containing some of the preliminary inquiries under that Act, and I see that this enormous volume contains, as to one half of it, one case only, and the expense of this preliminary inquiry must have been something frightful.

937. Would it not be the fact that the judgment of the referee would not be acquiesced in in matters involving large amounts of money, such as many thousands of pounds?—Of course, I am speaking now of my own opinion only; if the referee was a man of high standing and held the inquiry openly, and was answerable to public opinion, I should have thought that his decision in the

Mr. *J. Morris.*

4 April 1870.

matter of a tramway might have been acquiesced in, but I am quite certain that if it is to be tried in any sense in the nature of a preliminary inquiry, or anything which is subject to appeal, the double expense cannot possibly be borne by tramways, because tramways are not like railways, or even large works like waterworks or gasworks, where very large capital is expended on the works. The success of a tramway depends upon small capital, an economical working, and those two things combined may produce a remunerative and satisfactory result to capitalists; but if we are to import into tramways anything in the nature of that to which I have referred, as the very heavy expenses connected with the authority to lay down tramways, then it is quite certain that tramways will not be commercially a success.

938. If it were contemplated first to have a preliminary inquiry, and then to have it appealed against through both Houses of Parliament, would it not in your opinion, be most likely that the parties promoting it would rather take their proceedings by way of Private Bill, as they do now?—I think so, if the option is open to them, decidedly. So far as my experience goes (which is not a very large one in Parliamentary practice) I believe that the tribunal which is provided by a Private Bill is, upon the whole, the best, and that one investigation and one inquiry is less expensive than any attempt to ameliorate it by a preliminary inquiry; unless, as I said before, the preliminary inquiry is final and subject to appeal.

939. And although it is said that there would be an appeal from his decision, practically there would be no appeal on some points from that decision; as, for instance, on all questions which we call questions of *locus standi*, and questions as to who should have it; if there were two or three candidates for the concession the referee would necessarily exclude all but one, and the concession would go to that one, so that he would be exercising a jurisdiction from which there would be no appeal?—I am afraid that that would be so, but it seems to me that that is only one of the consequences following from giving to any tribunal a jurisdiction subject to appeal.

940. In complete jurisdiction?—In complete jurisdiction; if it is a preliminary inquiry we object to it; if it is complete jurisdiction not subject to appeal we consent to it. That is the short form of it.

941. You are anxious that a cheaper tribunal should be established?—If possible.

942. But you do not think that for such cases or contested cases, the tribunal beginning with the referee and then giving an appeal to the two Houses of Parliament, will be cheaper or as cheap as the present tribunal?—I am certain that it will not.

943. Whilst it would necessarily give to the referee the power of deciding without appeal on a good many matters?—Yes.

944. Of course he would have to decide as to who should be heard; the whole question therefore which is called *locus standi* before Parliament would have to be decided absolutely by him?—I suppose that that would be so.

945. The only remedy would be that those who had not been heard before him should petition against the Provisional Order?—Just so; I should like to say that I am satisfied that the Government Bill, if it is passed substantially as it is before the Committee now, will notwithstanding the practical difficulties of applying it to contested cases be very extensively used.

946. *Chairman.*] In consent cases?—In consent cases. I might mention in illustration the case of two of the Bills this year on the south side of the Thames, the Metropolitan Street and the Pimlico, Peckham, and Greenwich; there were two Bills passed last year on the south side, in which in one case particularly large extensions are being applied for this year by Private Bill. In that case the local authorities are, without exception (I think it passes through some eight or 10 local authorities), all consenting to the principle of the Bill, and there are only some small questions on clauses, all of which could be settled before a Committee of the House of Commons at a very small expense, and the Bill would practically pass through as an unopposed Bill on private grounds, subject to any public question which might arise.

947. Those cases would come under this Bill, would they not?—Quite so. If we were proceeding under the Government Bill we could have gone for it without applying for a Private Bill at all; and I believe myself that it might be done in that case, and in a great number of cases of that class, especially in extensions.

extensions. I do not think that it would be very well applicable to a new tramway going into a new district, especially in a large town like Glasgow, Manchester, or Birmingham, where there may be a difference of opinion as to the policy of it; the corporation are necessarily a Conservative body, and may hesitate to try what they may consider to be an experiment. A great number of people may desire a tramway, and conflicting interests may be at work, and in that way I think that it is very likely that for the purpose of tramway or no tramway in a given district, it may have to be decided in the first instance for some time to come upon investigation by a tribunal like a Committee of the House of Commons. But when the question is once settled, and tramways are existing in the districts and appreciated by the people, extensions here and there, for many reasons which it would be difficult and tedious to go into, will be promoted, and facilitated by the general concurrence of the inhabitants and the local authorities. My experience of tramways is this: in every town where I have been connected with tramways, Genoa, Copenhagen, and Brussels, prejudices disappear as soon as the tramways are at work; therefore I conclude from that, that what has happened elsewhere will happen here, and that tramways once being introduced and prejudice overcome by the result of practical working, we should find that tramways would be extended without the necessity of applying to Parliament under the consent clauses. I should be very happy to extend the Bill to contested cases, but for the difficulties which are attendant upon it. Protesting as we do that we are desirous to facilitate in every possible way any cheaper tribunal, we should hail with delight any means by which our wishes might be carried into effect.

948. Mr. *Thomas.*] As regards the important question of the amount of authority to be entrusted to local authorities in the case of a tramway, you have heard the evidence given by local authorities almost amounting to a suggestion that this Bill establishes the principle that no tramway is to be made without the consent of the local authority; do you read the Bill as going so far as that?—I think not; I think it would be a great misfortune if it did.

949. And still more, it has been suggested that the town council represents the borough absolutely, and that practically the town council should have a veto upon any tramway being made in its town; do you think that that would be advisable?—I think not.

950. That is to say, that a bare majority of the town council elected for other purposes, and without reference to the issue, should have the power of practically vetoing any tramway in a town?—It is quite certain that that would not facilitate, but it might obstruct tramways.

951. You think it would be a great obstruction to the spreading of tramways generally?—Yes.

952. And I suppose the incidental effect of such a veto would be necessarily that it would practically come to a vast amount of advantage, or money, in some shape or other, being given to the town council for the concession?—I think that it would come to that in the worst possible form.

953. And the amount in money, or in aid, so given, would be a burthen upon the tramway for the time for which the concession was granted?—Yes, if it assumed that form; but I understand tramways to mean this: that they are to aim at two objects, the one is cheap fares, and the other is good service; and I do not understand how you can have those objects kept as the two essential points, if you are to be bargaining with local authorities, each one of whom will be more exacting then the other, as to the terms to be paid to them. In other words, I look upon it that tramways are to be for the benefit of the public, and not for the benefit of the particular locality in which they are laid out.

954. And the granting of a concession in consideration of a sum of money or an equivalent advantage to a town council would be giving an advantage to the present generation at the expense of the next, would it not?—I do not see how you could work it. I think it would be almost impossible for private capitalists. I do not in the least object to any town council or corporate body electing whether they will lay down tramways themselves or let private companies do it. That is a fair open question, but I think they must divide that question; they cannot act the part of the dog in the manger. When they have decided that question they must act upon it, and they cannot consistently with the true principles of tramways according to my experience of them go and sell the tramway as a matter of profit; in fact, I do not

Mr. *J. Morris.*

4 April 1870.

not think that any private capitalists would care to compete on those terms. In the first place a corporate body is a most difficult thing to deal with. All my experience of them is that, with every desire to accomplish the object for which they exist, you cannot negotiate with them, and therefore for all matters of bargaining I think they are a most difficult body to deal with. I would therefore strongly urge that while I would not in the least degree obstruct, as the Government Bill desires to facilitate, the laying down of tramways by local bodies, yet that they should either be determined to do it on their own account, or at their own risk, of course leasing it afterwards, or that they should let private capitalists do it upon terms of giving the public reduced fares, good service, and the very best provision which can be given.

955. *Chairman.*] Do I understand you that the consent of the local authority should not be requisite?—Not in contested cases.

956. But who is to contest them if not the local authority?—Take, for instance, the case of an application for a Private Bill. Supposing we want a consent case where tramways are either designed by the local authority, or where they are established and extensions are desired, then I would facilitate their construction with consent.

957. But supposing there is only one company making an application for a tramway and the local authority does not consent, would you give power to the Board of Trade under this Bill to authorise the construction?—No; I would give no power to the Board of Trade without consent.

958. Then you do think that the consent of the local authority should be given?—Decidedly, under the Bill.

959. Do you wish to reserve to yourself the right of going to Parliament if you do not get the consent of the local authority?—Quite so.

960. Colonel *Wilson Patten.*] What do you mean by the town council not having a veto?—I mean that the town council should have a veto in all cases of consent. Take the case of any given corporation, we will assume that the promoters desire to put down a tramway in a given town; they apply to Parliament by a Private Bill to lay it down; the corporation oppose; I can easily understand that a corporation may oppose and believe it to be for the public interest that it should be done. Therefore I would rather that a tribunal, such as a Committee of the House of Commons, should decide that question. In other words, I would give jurisdiction to the Board of Trade to deal with all consent cases, and to a Committee of the House of Commons jurisdiction to deal with all contested cases.

961. *Chairman.*] Supposing that there are two companies applying to lay down tramways within the same district, and that the local authority consent to the tramways, but have, perhaps, an objection to one of the plans which are laid before them; would you allow such a case as that to be dealt with by the Board of Trade, or would you have it go before Parliament?—I should like to have it dealt with by the Board of Trade; but if the Board of Trade are going to deal with it in the nature of a preliminary inquiry, then I think that the result of it would be that great expenses would be incurred in those cases, and it would not prevent a rehearing before Parliament, and the whole of the evidence being gone over afresh, precisely as was done under the Preliminary Inquiries Act, so that, in point of fact, the real contest would be in Parliament, and the expenses would be doubled without any use. If the Committee could, in their wisdom, provide some tribunal, such as the Board of Trade, which we would willingly accept, which can fairly deal with such cases, I for one should be delighted to see it done; but I say that the very nature of a contested case will lead people to Parliament, and will lead to a renewed inquiry before Parliament.

962. Mr. *Thomas.*] In the case which has been put by the honourable Member, if it were dealt with under this Bill, one of the companies would be selected and the other would oppose the Provisional Order before Parliament practically?—Yes.

963. Mr. *Cawley.*] With regard to the Provisional Order and the Act to which you have referred, the Preliminary Inquiry Act, are you acquainted with the working of that Act?—No, I said I was not.

964. It was only in force for one year, and I apprehend that you will find that it is a totally different thing from this Provisional Order, and that there is no analogy between them?—Very possibly.

965. Mr.

965. Mr. *Thomas.*] I think that the analogy which you suggested was rather between the class of gentlemen who would form the referees in the present case and those who did form the referees in that case?—Quite so. I am assuming that they would be the same. If I understand the honourable Member, it would mean this: that the Provisional Order would be subject to appeal, and there would be a difference between an appeal and the original hearing. I do not know whether that is so, but I assume that the evidence would have to be gone into again before Parliament on the investigation of the Provisional Order, and, if that is so, my remark applies.

966. I believe that you have no desire to take any part in the contest which rages between the vestries and the Metropolitan Board of Works as to their jurisdiction?—Certainly not.

967. Do you think it desirable that if there could be in the metropolis one authority for all purposes, that is to say, a street authority and a local authority, and but one for the purposes of tramways?—Yes, I think it would, certainly. It would facilitate matters, no doubt, if you had one authority, and but one authority if you could give the streets over to that one authority for all purposes; but if it means the creation of an authority for tramway purposes, as distinct from other street purposes, then it would be adding to the complications instead of subtracting from them, and it would be an immense addition to our difficulties.

968. Unless, therefore, the Metropolitan Board of Works can become the street authority for all purposes, you think that the suggested change in the Bill would be undesirable?—Clearly most undesirable and most obstructive.

969. I think, as regards your own case, you had a Bill last year for the parish of Lambeth?—Yes.

970. If the Metropolitan Board of Works had been the local authority there, and had had the power to veto that Bill, they would have done so, for they opposed it, did they not?—Yes, they opposed it.

971. But you applied to Parliament, and Parliament gave you your Bill, notwithstanding the opposition of the Metropolitan Board of Works?—Yes. My experience of large bodies like the Metropolitan Board of Works, as distinct from local vestries, is not very encouraging as to the practicability of the working power of a large body.

972. *Chairman.*] That is to say, you find the vestries more favourable to tramways than the Metropolitan Board?—Not exactly; what I mean is this: If I am dealing with the vestry I am dealing with the party interested in the district. If I go to the Metropolitan Board, it is subject to the infirmity of all large bodies; that you do not know how to address them; you cannot get at them. Last year the Metropolitan Board, to whom we addressed a communication at a very early period of our proceedings, never sent a reply until, I think, the day when the Committee was sitting; and they wanted just to limit our experiment, as they chose to call it, to a certain district, where it turned out, two or three months afterwards, they were going to construct a sewer which would actually prevent the experiment from being tried for something like two years. I do not mean to say that they did it intentionally, but it shows that, in a large body like that, you have not the same personal interest influencing the parties as you have in dealing with local bodies; and, though I do not at all mean that local bodies have given us undue or great facilities, yet they have not obstructed us. We have always found them accessible, and always open to discuss the question, though keenly alive to their own interests.

973. Mr. *Thomas.*] So that, as far as your experience of the Metropolitan Board is concerned, they appear already to be too large to manage their own business successfully?—I should think that one side does not know what the other side is doing.

974. There were two parties last year, one endeavouring to confine you to a particular mile, whilst the other department had, in the meantime, let a contract for the sewer over the same piece of road?—That is about what occurred, so far as I remember.

975. At all events they opposed your Bill last year, and desired to confine you to a mile of that road?—Yes, and they oppose the Bill this year on the ground that the Bill of last year was an experiment; and they charge us now with a breach of faith for coming to Parliament again.

976. So far as they are concerned, if any body could be constituted which would

Mr. *J. Morris.*

4 April 1870.

would take the whole power, you, at any rate, think that that would be a facility given to the tramway construction of the metropolis?—I think it would be. It is a large question; of course it is merely matter of opinion as to whether one governing body is better than a lot of local bodies. Our experience is against the Metropolitan Board of Works, and favourable to the vestries as being interested. My own opinion is, that if you have one body interested in the streets, and not a mere party looking on like the Metropolitan Board of Works and having no interests in the streets and not being responsible to the ratepayers, a body of that kind is most obstructive and does really more harm than good. On the other hand, I am inclined to think that one central authority having an entire control of the streets would, in the tramway aspect of it, be an advantage than otherwise.

977. Do you think that considerable power should be given to local bodies to overlook tramways, and to have the supervision of tramways made by private companies?—Yes, my experience of tramways is that they are best laid down and worked by private companies responsible, even in the strongest manner, to the local authority, or the governing body of the streets, whatever that may be.

978. Your experience has led you, I think, to the opinion that whoever may construct them, they should be maintained and managed by a company?—Yes, that is our experience, decidedly.

979. What is your opinion as to the desirability of what may be called unity of management in tramway enterprise?—I think it most essential that the tramway should be managed and repaired or maintained by the same body.

980. Do you think it essential that maintenance and management should go together in order that the management and the maintenance shall be effective?—Yes: that is not a mere matter of opinion; that is the result of all experience.

981. You say that that is the result of all experience in the working of tramways?—Yes.

982. Mr. *Sclater-Booth.*] You do not say construction, maintenance, and management, but maintenance and management?—Maintenance and management; I did not say construction.

983. Mr. *Cawley.*] What do you include in the word "management"?—I mean maintenance and working.

984. Mr. *Thomas.*] As regards maintenance, taking that first, and that brings us to the question of repair, do you think it possible to work tramways efficiently if the repairs of the tramway are to be done by anybody but the tramway company?—I am afraid not; that is the result of experience.

985. Is it on account of their interest in the repair of the slightest defect that you say that?—I say this, that any local authorities, if they have to repair the road by the aid of officials, will not do it with that care and constant daily, and perhaps hourly, attention with which the officials of the company interested are bound to maintain it, not only because of their obligations, but because of the enormous use they make of the road, sending, perhaps, in some cases, hundreds, or it may be thousands, of horses over the road in the course of the day. The result of my experience has shown this, that every conductor of a tramway car becomes a sort of officer or surveyor to bring notice to the head office of the slightest defect in the line, so as to keep it in perfect order, on the one hand to prevent accidents to the horses, and also to keep the gauge perfectly right, so that a car, which otherwise might run off the line is kept on the line. In point of fact, for their own selfish purpose, apart from obligation, a tramway company would keep the road in perfect order.

986. As to the mode of doing it, I suppose it would be practically done at night?—It is, in fact, done at night; that is the result of experience, because the tramway company not only does the work from day to day and from hour to hour, but it does it at the night time in order to avoid the enormous expense which might be occasioned to them by stopping that traffic.

987. Mr. *Thomas.*] This is as to the tramway itself, and as to the 18 inches on each side, which the tramway companies are to be required to repair?—Yes.

988. Mr. *Dent.*] Then you approve of the 19th Clause of the Bill, in which the responsibility is put upon the tramway company to repair?—Quite so.

989. Mr. *Thomas.*] Then you say that for their own purposes, a tramway company

pany will repair the road from the pressure of self interest, effectually and quickly?—Yes, and properly.

990. Supposing an agreement were made between the tramway company and the parish, whereby the parish were to do the whole, then whenever any special repairs were wanted, there would have to be the ordinary notice to the parish surveyor, would there not?—Yes.

991. And supposing he did not attend to it, then there would be a summons?—Yes, all kinds of disputes would arise.

992. And the effect would be that the roads might not be repaired for some time?—They might not be.

993. And the tramway company would not be able to insure that perfection of road upon which their commercial success depends?—Quite so; that is so.

994. Therefore you say that independently of any question of money, even if they got a cheaper contract with the parish, yet in working it would not answer their purpose?—I should think so; that is the result of experience so far as we have been able to ascertain.

995. And you consider it therefore essential that the tramway company should be the actual repairers of the road for their own purposes?—Yes.

996. You see no objections to agreements being made between them and the parish, for their repairing, if so agreed, the rest of the roads also?—Not the least; we have introduced a clause to that effect.

997. And you would propose that the fullest power of agreement should be given in this Bill for that purpose?—Yes.

998. Mr. *Sclater-Booth.*] Have you put clauses into this Bill for that purpose?—Yes.

999. Mr. *Thomas.*] It has been suggested that if a local board laid down a tramway it might be desirable for public interests that it should be let like turnpike tolls every year; I think that was suggested by Mr. Scott in a report; do you think that that would practically widen the area of competition?—I think it would be certainly wholly impracticable.

1000. It would involve, of course, tenders for it?—Yes.

1001. Then there would be the stables and coach-houses necessary for working the traffic, would there not?—Yes; I should like to explain to the Committee that the bulk of the capital, or at least the larger proportion of the capital of tramways is required, not for the mere laying down of the road, but for providing machinery for working that road, that machinery being shortly, horses, carriages, stables, car-sheds, and things of that kind, those stables and car-sheds being very extensive indeed in area, in a large business, and most difficult to be obtained in suitable sites, and the obtaining of them would, as far as land alone is concerned, involve a very large outlay of capital. Therefore, even in ordinary cases, the larger proportion of the capital is really required for the ordinary working, and not for the mere laying down.

1002. *Chairman.*] What proportion is required for the laying down of a tram as a general rule?—Speaking generally, I think about half, though I am not a practical man on the subject, but I think that where the land is difficult to get, it will be proportionably higher as against the stabling and car-shed portion.

1003. Competition, of course, under those circumstances, could not exist, and there would not be a number of bodies in a position to put on those horses and so on?—Quite impossible, competition is out of the question. Of course it is a question of opinion and experiment, but experience is against it, so far as my experience goes. If you assume that the tramway is not to be worked by one company, but by a number of people, I say that there are many reasons against it, and all experience, so far as I know, is against it; but assuming that they are not to do it, and that it is to be worked by one or two persons at the outside, I say that competition is out of the question, because before you can compete, you must have all this paraphernalia. In other words, if the authorities of London were at this moment to lay down tramways, and to offer them for public competition, I know of one body in London who would compete for them, and that is the London General Omnibus Company, because they have probably the nearest approach to the paraphernalia for carrying it on. I will take any capitalist you like, but capitalists will not form themselves together to buy stables upon the mere chance of being able to tender for a tramway, nor, on the other hand, will they do it if they succeed in getting it.

Mr. *J. Morris.*

4 April 1870.

1004. Does not that depend upon the terms which the local authority can offer if they can offer an absolute concession for 30 years, subject to the terms of this Bill; would not that enable persons to tender?—No doubt, supposing the local authority could offer a term sufficiently long, parties would compete, but even then it would be an unfair competition, for this reason: supposing I was concerned for parties who were competing, they would have to compete upon the speculation that they would have to provide land for stabling, and all the paraphernalia, after they had got their tender.

1005. You say that it would be unfair to others than the omnibus companies that the tender should be made in this way?—I did not mean that. What I meant to say was this: supposing the tenders were to be taken in that way, there would not be that area of competition which has been assumed. There would not be equality of competition, though probably there would be competition; I cannot tell that, but if I was concerned for capitalists at this moment who were thinking of tendering under such circumstances, they would not tender upon equal terms with the omnibus companies, because the omnibus companies have the paraphernalia, and they know exactly what they have got.

1006. But the tramway would drive the omnibuses off the line, I presume, altogether?—I do not think so; that is not our experience.

1007. Have you found that the omnibuses run along a road where a tramway is?—Yes, the experience is not that it drives the omnibuses off. In Copenhagen the omnibuses increased 20 per cent. after the tramways had been established.

1008. But acting as feeders to the tramway, and not running on the same line?—Acting as feeders to some extent, but actually running over the same line, too. The omnibus service in Copenhagen increased 20 per cent. after the tramway carried four millions of people in a year.

1009. You say the omnibus companies have already stables and rolling stock to a certain extent, and they have horses, why should they not be in a position to offer upon better terms than other persons?—No doubt, I think they would be.

1010. Why should they not?—If it is thought in the public interest that the area of competition should be confined to the existing parties, and that they should have a practical monopoly, not only of the omnibus service but of the tramway service, there is not a word to be said against it, of course.

1011. Is it not the best way of meeting the opposition of the omnibus service by telling them that they are in a better position?—If the object is to conciliate the omnibus companies, I should say yes; if the object is to get the best public service, I should say no.

1012. That assumes that they would be unequal to the work?—I am not suggesting that they are unequal to the work.

1013. Mr. *Loch.*] You think that the element of competition might be lost in the event of its all falling into the hands of the omnibus companies?—I should have thought it rather a dangerous policy to have handed over the whole passenger traffic of this large city to an existing interest. I should have thought that the better plan would have been to have a tramway interest and an omnibus interest, and that they might be worked in conjunction with each other. I would not shut out the omnibus company, but I think that by having tramway companies acting upon the principle of private companies, the tramway companies and the omnibus companies so acting, the two would stimulate each other, and that the result would be a better public service.

1014. Mr. *Thomas.*] To return for a moment to the question of repairs, I think that in Mr. Train's system one of the causes of that failure was that the road there was repaired by the parish?—Yes.

1015. And the consequence was, I think, that the roadway was suffered to wear away, and that increased the tendency of the rail to be an obstruction?—Yes, it exaggerated the defects of the rail, no doubt, by the defective state of the road, which was in the hands of the parish.

1016. I think that the Salford Tramway is laid along a turnpike road by arrangement with the Salford Corporation, is it not?—Yes.

1017. And the corporation undertake the repairs?—Yes.

1018. And practically the road is in very bad repair?—Yes, and I believe that there is always a dispute between the omnibus company and the corporation as to the repairs; I believe that the omnibus companies, though I do not know this of my own personal knowledge, have gone so far as to offer to do the repairs, but there have been disputes about it.

1019. It

1019. It is repaired by the local authority and it is in bad repair?—It is.

1020. Do you think that there would be a convenience in having the repairs on the hands of the tramway company in case of accident?—I think in the public interest there would be.

1021. Because the responsibility would not be divided?—Yes, and the tramway company would be responsible in all cases of accident without dispute or controversy; the question would be certainly open to discussion if there was division of responsibility.

1022. I will call your attention very shortly to the amendments which we propose; in Part I. the amendments are simply verbal "District or Districts;" as the clause stood it would have required a certificate for each district, would it not?—Yes.

1023. And the suggested alteration would prevent that?—Yes, the alteration is merely to facilitate the construction of tramways with the consent of several local authorities where there are several all concurring.

1024. It is simply to render unnecessary a certificate for every district?—Yes, I think that as the clause stood it rendered a separate certificate necessary for every separate district. It is a mere suggestion to facilitate what I mentioned in the beginning, that where several authorities concur it can be carried out by consent.

1025. You concur in the view that was suggested by Mr. Coates for the railway companies, as to turning the certificate into a Provisional Order?—Yes, I see no objection to that.

1026. Then as to Clause 5, I think you propose that that should be omitted?—I think so; I am afraid that it would be very difficult for private companies to have anything to do with tramways if it was maintained.

1027. You think that the legalisation of the sale of a concession obtained from a Government Department is bad in principle?—I object to it *in toto*. As regards any private promoter obtaining a concession and selling it, that, I think, is decidedly objectionable. I think also that as regards corporate bodies it would be objectionable. I can see many reasons why it would be found to be unworkable, and would conflict with what I would venture to suggest is the true principle of tramways, namely, to get in the fullest possible extent, cheap fares and good service.

1028. Mr. *Ayrton.*] When you say "corporate bodies" do you mean municipal corporate bodies?—I was speaking of local bodies.

1029. Mr. *Thomas.*] The tolls would be higher, and the facilities would be less, in proportion to the amount of purchase money?—Not only so, but it seems to me that it comes to this: that a tramway is a trading concern, and you cannot expect anyone to embark in a trading concern which is subject to all the risks to which a business of this kind is subject, without getting a substantial return upon the capital. And, therefore, as regards any capital which was paid to a local corporation, supposing 1,000 *l.* was paid, that money probably would not be worth more than 4 per cent. to them, but the tramway company would have to pay a much larger rate upon it, because it is a part of the capital which they risk in the enterprise. Therefore, it seems to me from a public point of view, that it would be objectionable as a mere monetary objection; but, at the same time, it would be unworkable, and extremely humiliating to capitalists to be discussing and bargaining with local bodies, and I do not think that men of any position would care to embark in a business of that kind.

1030. *Chairman.*] Do you mean for getting the concession?—For buying it from the local authority.

1031. Mr. *Thomas.*] Then you suggest that if it is thought expedient to put in this clause, there should be a right of pre-emption given to the owners of an existing tramway joined by it?—I think so; that seems but fair.

1032. But your suggestion is, that that clause should be omitted; it is only in case that suggestion is not adopted, that you suggest a right of pre-emption?—Yes.

1033. Then in Clause 3 there are some verbal amendments at the bottom?—Yes.

1034. Then at page 4 you concur in Mr. Coate's suggestion for that being altered?—Yes.

1035. As to Clause 10, I understand that you do not object to that deposit on the part of the tramway interest?—No, I do not object.

Mr. *J. Morris.*

4 April 1870.

1036. If it is thought desirable that there should be that security?—Quite so.

1037. But you point out that if a tramway is authorised by a private Act of Parliament, no such securities are given?—A deposit is made upon the application for a Private Bill, but it comes under the second class, and therefore the money is released at the end of the Session, and is not retained as a security for the performance of the works. I understand this clause to provide that the money should be retained as security for the works; I do not object to that, on the contrary, we rather applaud it as an additional security to secure substantial parties coming forward.

1038. But you point out that it is a security which they would give in addition to that which Parliament would require them to give?—Yes, it is an additional security.

1039. Under Standing Orders 64 and 11, I think 4 per cent. of the estimate in the case of a Tramway Bill is deposited, and so soon as the Act passes it is paid out without being impounded?—Yes.

1040. Whereas in the case of railways it is impounded as a security?—Yes.

1041. This clause proposes to impound according to such condition as may be prescribed a deposit of per cent., which would therefore be an additional security under this Act, beyond that provided by Parliament in the case of railways?—Yes.

1042. Then in the next clause there is another Lands Clauses Act put in; in Clause 11 the alteration is merely the inserting the Lands Clauses Act with regard to the cost of arbitrations; then we get to Part II. of the Bill; as regards Part II and Part III, do you suggest that this should be turned into the form of a Consolidation Act?—Yes, it seems to me desirable for many reasons, if you make that alteration.

1043. If they are passed in the form of a Public General Act, will it not be contrary to the practice to amend them in any respect by any Private Bill?—So I understand, or by certificate.

1044. Neither House will allow a Private Bill to alter the clause of a Public General Act?—So I understand.

1045. Those provisions in Parts II, and III., if they remain as they are now, would constitute a hard and fast line, and would not allow of adaptation in different districts to the local circumstances of the case?—Quite so; I think it very desirable indeed, whether by Provisional Order or by Private Bill (because I presume one object would be to enable those clauses to be incorporated in every Private Bill) that it should be in the nature of a consolidation, so that the certificate or the Private Bill, in a few words, subject to exceptions as to the circumstances in each case may incorporate it, and that would very much facilitate the practical working of it.

1046. Mr. *Ayrton.*] Then it would be a Clauses Consolidation Act?—Quite so; it would be a Clauses Consolidation Act to that extent.

1047. Mr. *Thomas.*] Then there is Clause 15 A, at page 7, as to the incorporation of Part II.; that follows the exact words of the Consolidation Act of 1847?—Yes; in that very Clause 16, where the gauge is defined in accordance with the Acts of last Session as a flanged wheel, and so on. It certainly seemed to us desirable that there should be power in special cases to the Board of Trade in granting a Provisional Order, or for Parliament in passing a Private Bill to modify that in adapting it to the special circumstances of each case, or it may be recasting the whole thing. If you have a hard and fast line no doubt that could not be done.

1048. As regards the certificates or Provisional Orders themselves, would not this facilitate your incorporating in the Provisional Order itself any exceptions or variations which the Board of Trade might think requisite?—I think so.

1049. Instead of making it necessary to put in substantive clauses as is done in the Local Government Acts for conforming the Provisional Orders?—I cannot form an opinion of the relative value of the two modes. All I know is that a hard and fast line would be extremely inconvenient, whereas plastic provisions, such as have been suggested, would be extremely convenient in the practice and adaptation of it in each case, because I cannot imagine a case in which you might not have some exceptional circumstances.

1050. Now we come to Clause 16A; at page 7, with the necessary power of deviation, "If any street authority or road authority shall hereafter alter the level of, or widen or alter any road along or across which any tramway is laid, or authorised to be laid, the promoters may, and (if required by the street authority or

or road authority) shall from time to time alter, or (as the case may be) lay their rails so that the uppermost surface thereof shall be on a level with the surface of the road as altered, and so that the tramway shall be as nearly as may be in the same position with relation to the centre line of the street as widened or altered, as before the widening or alteration;" I believe that no power of vertical deviation has been hitherto recognised for tramways in any way?—It has been impossible to recognise it, as I understand the Standing Orders are so strict.

1051. Neither vertically nor horizontally?—No.

1052. Consequently you wish this clause to be inserted?—Yes; I think a power of that kind should be given, because it would very much facilitate the carrying out of the works without any substantial difference from what Parliament has sanctioned.

1053. It is obvious that there might be a difficulty if the level of the streets was raised by the local authority after the construction of the tramway?—Quite so.

1054. Then Clause 19A, page 9, is the clause to which you referred in your evidence, giving power to make contracts?—Yes, giving power to the road authorities to make contracts; that is the clause to which I referred.

1055. In Clause 19, to which I should have called your attention, there is an alteration. As the clause stands, it is proposed that the promoters shall at all times pave all tramways?—Yes.

1056. You propose an alteration there that "they shall at all times maintain, and, if so directed by the Provisional Order or special Act, pave and keep paved;" do you anticipate that in rural districts it will be necessary in all cases to pave a road where a tramway is laid?—I think decidedly not; I think that it would be entire distinction to tramways in poor districts, and not only in poor districts where it could not be necessary to pave; for instance, in Brussels we have a tramway where part of the road is paved and part is not paved. Then, again, with regard to gradients, it might be utterly impossible, in some cases, to pave where you have a very steep ascent; it might be destructive to the horses. Therefore, I would make the rule to be to pave it, but entirely on the discretion of Parliament or the Board of Trade to adapt it to the special circumstances in each case.

1057. All you propose here is to pave it whenever so directed by the Provisional Order or special Act, but that it shall not be made compulsory for all tramways?—Quite so.

1058. Then, we come to Part III., Clause 24, as to the question of the carriages to be used; you propose that it shall run, "subject to the provisions of this Act the promoters and their lessees shall have the exclusive use of this tramway for carriages with flange wheels, or other wheels specially adapted to run on a grooved rail;" now, you propose to add these words, "and for carriages licensed to carry for hire any number of passengers exceeding five;" and you propose to settle the question in that way as regards omnibuses running on the tramway rail?—Yes; I respectfully suggest it to the Committee as a matter of very vital importance to the tramway, that on the one hand there should be the utmost freedom of use of the road to all carriages of every description, with the one exception of omnibuses. The proper gauge of an omnibus, I should say, is 6 feet. I think, certainly, considerably more than this gauge; but it has been found in Liverpool that the omnibus company are trying by the aid of mechanical appliances (I do not know that they have quite succeeded in doing it yet to their entire satisfaction) to run omnibuses with wheels so constructed as to run directly upon the rail.

1059. *Chairman.*] Without the flange?—Without the flange.

1060. So constructed as really to run on the rail habitually, but without the flange, which brings it within the special terms of the Act?—Yes, quite so. What we suggest is that if tramways are to be a commercial success, and they are to be privileged for a term in the way suggested by the Government Bill, at all events they should be protected to the extent that no other conveyance running for hire should run upon the rails.

1061. That there should be a monopoly of omnibus traffic at all events?—Quite so, so far as the rail is concerned, bearing in mind that that is not the proper gauge for an omnibus.

1062. That is to say not the usual one?—Four and a half feet is not the proper one; six feet I think is the proper gauge for an omnibus; in fact I

Mr. *J. Morris.*

4 April 1870.

believe there was an affidavit made in the Chancery suit by the Secretary of the London General Omnibus Company that they never have an omnibus of that gauge.

1063. Then your amendment is for the purpose of clearing up that doubt which exists in the Liverpool Act as to whether the habitual use of the rail by omnibuses, not specially adapted for the rail, is legal or not?—Quite so. What I respectfully submit to the Committee is this, that if capitalists are to invest money in tramways for a short term, unless they are protected in the use of the rails by omnibuses in that way, in the first place you will not get the capital, and in the second place the effect of allowing it will be that the omnibus wheels constantly running off and on (although no doubt of necessity the horse, as has been proved at Liverpool, will hug it vertically) will cause rucks on the side of the rail. It will be seen at once that the number of omnibuses running in any given district is so much in excess of any other conveyance, that if they all had to run on and off the rail they would make very sad work with the pavement. Then again, another objection is that unless there is some protection of that kind, a great deal of the present omnibus objections will be perpetuated in that form, because supposing a tramway starts from Brixton-road, an omnibus can very easily be put before it or after it, and would be able to go a very long way without offending the law, and without bringing themselves distinctly within the police regulations so as very much to obstruct the working of it, and probably to carry it on at a loss for a time.

1064. And at the same time to derive considerable advantage from the tram in the saving of labour?—An enormous advantage; in other words, the tramway company would be taxed by not only having to bear the cost of the rail and the cost of maintaining the pavement, but that the tax will be immensely increased by the addition of a large omnibus traffic upon the rail, and not upon the rail only, but upon the pavement.

1065. Mr. *Ayrton.*] When did the dispute arise with reference to the use of the tramway in Liverpool by some carriage which had not flange wheels?—It arose almost immediately after the opening of the tramway.

1066. When was that?—About October last.

1067. Are you aware that the question was very much mooted before the Act was passed last Session, as to whether people could run a carriage without a flange along a tramway?—Yes, I have no doubt it was.

1068. And those who took the Acts of last Session took them with perfect knowledge that such was the opinion of a great many people?—No doubt; and I venture to answer the right honourable Member by saying that we took it with that knowledge, and that we are quite content to retain it, and to take the risk if we have what the Act of last Session gave us, namely, a perpetual right to the tramway, because we believe in time we shall kill the opposition; but if we are to have mechanical skill applied to carry out the object which they are trying to effect in Liverpool on the one hand, and the short term on the other, it will be very easy for the omnibus companies so to arrange the opposition as to make it difficult for us within our term to make it pay.

1069. You say that the Acts were taken last Session with the full knowledge that such a question would be raised, or that such a plan might be adopted; and those who took the Act took the risk upon themselves?—That is so as regards last Session.

1070. *Chairman.*] Are they upon the same terms as the Liverpool Act upon that point?—No, they are not; they are different; I do not think that under the Act of last Session the same question as was raised in the Chancery suit would probably arise; it would be open to question.

1071. That is to say, that it would be clearly against the tramway company?—No doubt.

1072. Mr. *Ayrton.*] The clauses were expressly framed to give parties the right if they chose, of running wheels of a gauge that would suit the tramway, provided they did not use flanges to keep them on?—That is so.

1073. As a matter of fact that was so, was it not?—That was so with this one exception. It was put forward as a strong argument in favour of tramways that ordinary conveyances could use them, and that in some towns in America they had been adapted to the tramways. We certainly were not aware last year that omnibuses could do it. We assumed that omnibuses requiring and having a gauge of something like six feet, never could run upon such a narrow gauge; but

but the Omnibus Company of Liverpool are a very enterprising body, and no doubt they are trying to make that a fact which we never supposed could be done.

1074. You assume the present state of things, but there was full notice given to the parties that another state of things would probably be attempted if those tramways were laid down; that carriages would be constructed to run upon them; during the passing of this Bill last Session was not that very question mooted, and full intimation given that parties would endeavour to adapt carriages to the tramway?—Yes, speaking of other carriages, not of omnibuses. We never supposed omnibuses could be adapted to the tramway.

1075. You mean carriages generally?—Yes, there was no exception.

1076. *Chairman.*] But, in your proposed amendments, you are speaking rather with reference to future concessions than with reference to the Acts of last year, are you not?—Yes, quite so; I am not at all suggesting for one moment that the Act of last year was a compact, and we took it with that risk.

1077. And you are content with it; but what I understand you to say is that the terms in this Bill under which the concession would be made are so much less favourable to the companies that, without this further protection, you do not think the capital would be raised?—Quite so.

1078. Whereas the terms of the Act of last year were, on the whole, more favourable to the companies?—Much more so.

1079. Mr. *Loch.*] Were the Acts of last year for terms, or in perpetuity?—In perpetuity.

1080. *Chairman.*] The terms of this Bill are much more restricted than those contained in the Acts of last year, are they not?—Quite so.

1081. Mr. *Ayrton.*] Is the Liverpool Railway the same in form and section as that which is now being laid down in London?—Quite so.

1082. Mr. *Hibbert.*] Have you considered that your amendment, if carried, would considerably limit the rights of the public over the use of the highway?—Our experience is just the other way; that, so far from limiting the rights of the public, it increases the facilities of the public.

1083. But if you say that no carriage carrying passengers, exceeding five in number, shall go upon the tramway, do you not limit a right which they have now?—Not in the least, because what I say is this, that every omnibus in London may run over our tramway on the Brixton-road if they like; but we do object to their entirely revolutionising the omnibus system, and having carriages constructed on purpose.

1084. But have you any right to say that omnibuses shall always be made of this width of gauge?—If it was suggested for one moment that omnibuses should be altered *quâ* omnibuses, of course there is not a word to be said; but that is not suggested at all. I have already mentioned in the Chancery suit the secretary of the London General Omnibus Company has made an affidavit that they do not know such a case, in all their experience, as a gauge of anything approaching to 4 feet 8½ inches. Therefore what I say is, that they will have entirely to revolutionise the omnibuses, not because it will be beneficial or desirable for them or for the public, but simply because they want to take advantage of this new tramway.

1085. Still it is limiting the rights of the public, is it not?—Of that class of the public.

1086. *Chairman.*] I presume if omnibuses could be constructed so as habitually to use the tramway without the flange, they would practically derive as much advantage from it as the tramway omnibus?—I do not admit that. The whole theory of the tramway system is this, that we get economy of power; we get straight lines for the traffic, and we say, therefore, that, whether regarded in a public point of view or in a private point of view, the tramway company will ultimately beat the omnibuses. It is a question of time and of means, and if we have a limited time it will be extremely difficult to do it. If we had been aware last year of this possible adaptation of omnibuses, of which we never dreamed, we probably should have ventured to have taken the opinion of the Committee upon that question.

1087. Mr. *Ayrton.*] Has it not been held up as the particular merit of the section of ironwork that you use, that any carriage can drive along it and on it, and can get off it without the least inconvenience, and that, therefore, you do not

Mr. *J. Morris.*

4 April 1870.

not obstruct the general use of the highway?—Quite so; I am bound to admit that that is so.

1088. Mr. *Sclater-Booth.*] Still, speaking on behalf of companies or private persons promoting what is expected to be a public convenience, you say they cannot be expected to do it if the whole of the capital which they lay down upon the road may be wasted by the use of the rails being taken in opposition to their omnibus traffic?—Not only with respect to the capital laid down, which is one branch of the question, but the obligation to maintain, and the expense of maintenance, of those pavements being immensely increased by their being used by heavy omnibuses so constructed.

1089. In point of fact, something in the nature of a monopoly is absolutely necessary, in order to enable you to look forward to a return upon your capital?—I think so.

1090. *Chairman.*] You have no objection to the casual use by omnibuses, or by other traffic?—Not the slightest.

1091. But you object to the habitual use?—Quite so. I have no objection to the habitual use by ordinary carriages, but what I object to is a carriage like an omnibus being so organised as to use it habitually.

1092. You said just now that you believed in time you would kill the omnibus companies off?—Yes.

1093. I think you stated some little time ago, did you not, that in Copenhagen the omnibus companies had increased notwithstanding the tramways being laid down?—What I said was that we should kill the omnibus companies so far as they attempted to imitate the tramways; so far as they attempted to run with those narrow wheels. You see if they have the narrow wheel while they are on the rail, they are as good as the tramway carriages no doubt, but directly they run off, the friction is immensely increased.

1094. In other words you do not think that this experiment will succeed ultimately?—I think it will be very difficult for it to succeed permanently; I think they may succeed for a time. I think if I was an omnibus company, and I wanted to render it impossible for a tramway company to be a success, I would put omnibuses on, as they are practically doing in Liverpool at this moment, and work, it may be for seven years, not at much profit.

1095. By the expression that you will "kill" the omnibus companies, you merely mean that the experiment now being made by the Liverpool Company will not succeed, and you would prevent any omnibuses, especially adapted to your tramways, from running?—Yes, quite so.

1096. Mr. *Ayrton.*] Is not your evidence rather a reason for separating the construction of the tramway from the business of a carrier on the tramway; and in order to carry out your views would it not be necessary that the construction of the tramway should be separate from the business of carrying along the road, the same as the construction of the high road?—Theoretically that might appear to be so, but practically it seems to me that the working of a tramway is in itself a very complex and difficult thing, and the maintenance of the road for instance, as I mentioned before, will have to go with it; therefore I do not see how you can ever make it a commercial success unless it is in the hands of private companies, working it with the economy and power which a private company can bring to bear, both in carrying along and maintaining the road.

1097. Would not the construction of the tramway be much more economical in the hands of the local authority, than in the hands of a joint stock company?—I do not think so.

1098. Would not the capital be much more easily found by a municipal corporation than by a joint stock company?—No doubt, but my experience is, that if they would get it easier, they would spend it quicker.

1099. But would they not be able to make it by contract just as well as a joint stock company?—I quite admit that a local authority may lay down tramways, but I was rather speaking of the maintenance of them. They may lay them down entirely.

1100. Mr. *Thomas.*] As to the exclusive use of the tramway you do not suggest for a moment, I believe, that as regards the paved road itself, made by the tramway company, there should be any exclusive use of it?—None whatever.

1101. That is made as a benefit to the public, and all carriages are to use it, are they not?—Quite so.

1102. And

1102. And practically it is found, is it not, that they do so?—Yes, quite so.

1103. That the paved road of the tramway is used to a very great extent by all carriages, as making the traction easier?—You may see it every day in the Brixton-road now.

1104. Consequently, that would be a great advantage, would it not, to everybody using this road, by reason of their having this paved road made at the expense of the tramway company, irrespective of the use of the rails?—Quite so, and they may use the rails too.

1105. You ask for no exclusive user of the rails, except as regards carriages with flanged wheels, or other carriages specially adapted, or carriages licensed to carry more than five persons?—Yes.

1106. With regard to Clause 31, you suggest there an alteration making the clause more general, and enabling other neighbouring tramways to enter into contracts for through working, practically is not that so?—Yes.

1107. Do you think that very essential?—It is very desirable, I think, so long as it is to be subject to the sanction of the Board of Trade.

1108. Every such contract, or agreement, or arrangement, is to be subject to the sanction of the Board of Trade?—Yes, and we have so altered it that it shall not affect competition between different classes of carriers.

1109. As that clause stood, it would have enabled the promoters to make a special and exclusive agreement with a corporation or another company, would it not?—Yes.

1110. And now you make it a general power between the owners of neighbouring tramways, to agree for through working, and for the use of each others' lines, but every agreement to be subject to the sanction of the Board of Trade?—Quite so.

1111. Then we come to Clause 32, the purchase clause; practically the alterations which you suggest in that are, that the terms of the Liverpool Clause shall be adopted, except that the time instead of being 11 years shall be 21 years?—Yes.

1112. If the principle is to hold that it is to be 30 per cent., it would still be more favourable to the tramway if it was five years, would it not?—I think it should be a moderate term, or esle people will not invest their capital.

1113. But, however, you suggest, for the purpose of raising the capital, that 21 years should be inserted; you propose to alter the clause, so as to make it an option of purchase by the local authority in 21 years, on terms of giving at that time 30 per cent. beyond the actual value for goodwill, and so on?—The only difference as between that and the Bill before the Committee is this: that the Bill before the Committee does not provide for any premium to be paid in lieu of goodwill; but we have adopted the Liverpool Clause of 30 per cent. upon the actual structural value.

1114. *Chairman.*] With this difference, that the Liverpool Act is only for 10 years, whereas this proposes a concession for 21 years, practically?—Yes, we should not object to that.

1115. Mr. *Ayrton.*] Are you aware that there is another important distinction; that the Liverpool Company is only bound to purchase the tramway and works connected therewith, and any lands or buildings required for the purposes of this Act; whereas, in your Act, the company is to buy all your horses and tramways, and carriages, and hay, and everything else?—The Liverpool Act provides for that, as I think the Committee will see at once, in whatever form the clause is passed.

1116. That is only the rolling stock and carriages, and not the provender?—We do not care about the provender, but the horses they must take. I do not know whether the rolling stock would include the horses. The stabling, I think, in the Liverpool Act, would include them, but I would suggest that it is perfectly clear that it would be utterly impossible for capital to be obtained and laid out upon, perhaps thousands of horses and carriages and carriage-sheds, and all that, unless the party buying it was bound to take it, if required; and they would want it all.

1117. Are you aware that companies exist for the purpose of making railway carriages and letting them out, and that there is not the least difficulty in hiring railway carriages or locomotives when you want them, and buying or selling them?—That is so, but I also know that commercially no prudent company

Mr. J. Morris.

4 April 1870

would ever think of hiring their carriages under such terms, that is to say, that the parties letting them would expect very exorbitant rates. Every prudent company would keep their own carriages, and not only that, but very often they would have the appliances for constructing them.

1118. *Chairman.*] Is the 30 per cent. to be upon the value of the tramway or upon the rolling stock and everything else?—Upon the tramway, with the obligation for the purchasing party to take the rolling stock and horses if required at a valuation, if he requires.

1119. If he requires?—If the tramway company requires.

1120. But the 30 per cent. is only upon the value of the tramway, is it?—That is all.

1121. Mr. *Thomas.*] It is not suggested, is it, that the promoters should have any power of requiring the local authority to sell?—It is an option merely.

1122. The option is with the local authority, it is not reciprocal?—Yes.

1123. The clause authorises the local authority to purchase, I believe, does it not?—Yes.

1124. But it does not authorise the promoters to require them to purchase; if they purchase the tramway, do you require them also to purchase the rolling stock, and so forth?—Yes.

1125. Mr. *Ayrton.*] Do you understand that the value of the tramway would mean the cost incurred in laying down the tramway in the condition in which it was at that time?—Yes, that is all; the then value as a structural work. Supposing the tramway company has laid it down under difficult circumstances, it may be that the valuation and the 30 per cent. together would not amount to any very great catch.

1126. *Chairman.*] But in one respect the proposal contained in this Bill is more favourable to the companies than the Act of last year, I think, namely, that there is no limitation of dividend?—There is no limitation of dividend in the Act of last year.

1127. Is there no power given to the Board of Trade as to that?—Not in the least.

1128. As I read the Acts, I understand that there was a certain power to the Board of Trade to reduce the fares under certain circumstances?—Not to reduce the fares, but to grant licenses. The Committee were particularly careful that nothing of that sort should be put in because we pointed out to them at the time that it would deter capitalists from looking at it unless they saw that no person could interfere as to maximum.

1129. Then under the proposal contained in the Bill, for the 21 years they may charge what fares they think fit within the limits laid down in the Bill?—Quite so.

1130. And irrespective of any dividend they may be making?—Quite so.

1131. So that they may be making 20 or 30 per cent. in the 21 years, and be under no obligation to reduce their fares?—Quite so.

1132. And in 21 years the local authority would have a certain power over them to compel them to reduce their fares?—Quite so.

1133. Mr. *Thomas.*] As regards the difference between this Act and the Acts of last year, in the Acts of last year there was no power to the local authority to purchase at any time, was there?—Yes, there was power to purchase by paying the actual value of the tramway with the condition of goodwill at the end of 21 years.

1134. Then this clause, as it was proposed, was a limitation of those privileges?—Yes, it is a restriction of that power.

1135. And you propose to alter it in the way it stands now?—I suggest the alteration of the Government Bill in this way.

1136. I suppose you look to the question of the certainty of raising the capital as being a most important element?—Yes, I think that is a most important thing; I think there is a large amount of capital in the country seeking an investment now which must not be deterred.

1137. Mr. *Ayrton.*] I suppose you would not think that anybody would be deterred from running a carriage, if he had not put upon him the obligation of making the tramway itself; if the tramway itself was made by the local authority, you do not suppose that anyone would be deterred from running a carriage on it if he could do it at a profit, because the capital required would be very small?—Quite

Quite so, and the only question then would be, whether in the public interest, it would be desirable to allow the indiscriminate use of it.

1138. But whether it be used indiscriminately, or whether it would be convenient to use it by one person only, it is not likely that either party would be deterred from using it, if they had not the heavy obligation of making the tramway?—The obligation of making the tramway is not the heaviest obligation.

1139. Is not the proposed cost of it 5,000 *l.* a mile?—Yes, quite that; but the cost of stocking it with horses and carriages, and all the paraphernalia of the concern, would be quite equal to that per mile.

1140. It would be no greater than the cost of running the present omnibuses, would it?—It would be a great deal more than that.

1141. Not relatively to the number of passengers?—I know from our experience at Brussels, that five times the amount required for an omnibus company is required for a tramway.

1142. Mr. *Loch.*] Are you well advised in saying that the cost of a tramway is 5,000 *l.* per mile?—Where the road is paved; it depends upon the character of the pavement; if it is paved with granite, I think the rail and the construction and all that, would considerably exceed 5,000 *l.* a mile.

1143. But that is the price of a single line of railway?—Yes, but the pavement is very expensive.

1144. Mr. *Cawley.*] Do you mean a single line or a double line?—A double line.

1145. *Chairman.*] What is the difference of cost in the construction of a tramway when laid down on a macadamized road, and a paved street?—That again depends a good deal upon the character of the pavement; but I should think something like 3,000 *l.* a mile.

1146. That represents the expense of the paving then?—That represents the expense of the paving.

1147. Mr. *Thomas.*] At page 13, line 11, we propose to insert the words, "and no such carriage shall exceed in extreme width seven feet;" it is suggested that the width should be defined, and that I believe is the actual width now of a tramway carriage?—Yes; Lord Redesdale suggested that the Bill should provide for that.

1148. And that is the actual width of the carriages at present running, is it not?—It is.

1149. Then at Clause 48A, page 18, is a suggestion for the limitation of rating; that they shall not be rated "in any greater proportion of the net value of the tramway than the proportion of net annual value in which the occupier of any land used only as a railway constructed under the powers of any Act of Parliament for public conveyance, is for the time being, liable to be assessed"?—Yes.

1150. You have heard it stated in evidence here that possibly the existing rule may be changed, and you suggest a clause not confined to the existing rule, but that there shall be a limit; that it shall not be rated in any greater proportion of the net value than the rating of a railway for the time being may be?—Quite so; I am not practically acquainted with the practice as to rating; I do not know much about it. Probably Mr. Rees could tell you that.

1151. Then in Clause 45, which is the penalty clause, there is the same question as has been already before the Committee with regard to the omnibuses?—Yes.

1152. If the words came in in the first clause they will come in here, of course?—Yes, it is the same principle.

1153. Then we come to Clause 50A, in which you suggest that inasmuch as there must be crossings and places for getting to your coach-houses and so on, not shown upon the deposited plans, "it shall be lawful for the promoters, with the consent of the local authority from time to time to lay down in any street under the control of the local authority, crossings, passing places, sidings, junctions, and other works, in addition to those described in the Act, or, as the case may be, the Provisional Order of the Board of Trade;" you think that is necessary do you not?—Yes, I think a clause of that kind would very much facilitate the practical carrying out of tramways, because it is almost impossible in the varied circumstances of the streets to lay out a tramway strictly according to the rigid plans and sections. Therefore, I think, a power of that kind given to the local authority and the Board of Trade where they both concur, can lead to no mischief,

Mr. *J. Morris.*

4 April 1870.

mischief, and certainly so far as the public interest is concerned it would very much facilitate the carrying out of the tramway. We have found that very often when you come to lay down a tramway it is necessary to shift a siding or carry out some minor matter of that kind, and we suggest, therefore, that where that can be done with the clear concurrence of the local authority on the one hand, from the local point of view, and of the Board of Trade on the other, from the public point of view, it should be done without the expense of going to Parliament for a small thing of that kind, or even without the expense of a Provisional Order.

1154. How do you provide for giving notice to the public?—I admit the difficulty which the honourable Member has suggested; but these are minor matters with reference to sidings. I quite admit that; I cannot alter that; I did not propose to do it; I rather assume that if the local authority and the Board of Trade both concur in carrying out these details, such as a siding, the public must be presumed not to object to it.

1155. *Chairman.*] That is to say, where tramways have already been authorised on that road or in that district?—Quite so.

1156. Mr. *Hibbert.*] But you give the public no notice to enable them to go before the Board of Trade?—I am assuming, of course, that there is really nothing in that practically, though I am bound to admit that theoretically it may be open to objection.

1157. *Chairman.*] I presume the Board of Trade would give that opportunity?—Quite so.

1158. Mr. *Thomas.*] You would be content that this should be confined to sidings and crossing places and passings and junctions with existing works?—Yes, quite so.

1159. Of course you must get to your coach-houses at different places; how are you to get your carriages from your coach-houses on to your tramway?—It is extremely difficult.

1160. How will you manage if you change your premises again?—You cannot do it legally; you have to do it without any legal sanction at all; and therefore I suggest that you should do it in this way without having to take the law into your own hands; you must do it; you cannot help yourself; you often cannot get into your station without crossing a footpath.

1161. Then there is Clause 50 B; that is the same as one of the clauses in the Liverpool Act?—It is quite the same in principle.

1162. *Chairman.*] I understood you to say in the early part of your evidence that the tramway ought to be for the benefit of the public, and not for the benefit of the town?—Quite so.

1163. Did you mean by that the local authority should not derive any profit from it?—No pecuniary profit.

1164. Did you mean by that that they should not derive any profit in the way of relief to their rates?—No, I meant that the tramway company should repair the road which they go over, and as I have before explained to the Committee they do it really for their own sake and self-interest: but the practical effect of their doing it is very materially to assist the rates.

1165. Then whenever a tramway is laid down, the rates for the repair of the road are relieved to a very considerable extent, are they not?—Quite so.

1166. You have found that already in London, have you not?—That is so.

1167. And that acts as a very great natural inducement to vestries to give consent to tramways?—Yes.

1168. And, I believe, you have also explained to the Committee that there is a very considerable difference in the expense in laying down tramways on a pavement and on a macadamized road, namely, 3,000 *l.* per mile?—I may be wrong, but I believe it is something like that.

1169. That is to say, you already find material of that value laid down?—Yes.

1170. I think the tramways authorised last year were to be laid down wholly on macadamized roads?—Yes.

1171. And the companies had, therefore, to lay down the paving themselves, at their own expense?—Yes.

1172. In the Bills proposed this year, on the other hand, you propose to lay down the tramway upon paved roads?—Some are upon paved roads.

1173. But to a very great extent upon paved roads?—To a very great extent.

1174. What

1174. What was the arrangement which you had with the vestries upon that point?—At first we did not foresee that the question would arise, but it was raised with the St Pancras and other vestries, and we at once gave in upon the principle that we could not resist their requirement that we should pay them the amount which we were saved by finding a paved road instead of a macadamized road; in other words, that it should be an open question to be decided by reference, in case we should not agree. Some of the parishes, I think, believed that there was a saving of 8,000 *l.* by that means.

1175. But was not the arrangement which you made with the vestries that you should repay to the vestries the expense that they had been put to in paving the roads?—No, whatever we saved by finding pavement instead of macadam it was agreed that we should pay over to the vestries. Supposing that it was old worn-out pavement, it might be that we should really save nothing by finding a pavement there. It would all depend upon the character of the pavement, the age of the pavement, and other circumstances.

1176. But supposing that the pavement were in a good condition, then you were to pay to the vestry the expense incurred by them in laying it down practically?—No doubt, for that portion of the road, supposing it was newly laid down; it would be open to us that we should have to take it up again. We said, therefore, we will not recognise the principle of what it has cost you at all, but we will refer it to a referee to say how much we have saved by finding pavement here, taking into account the circumstance that we shall have to take up this pavement and put it down again, and incur expense of that kind, but we will pay you everything we save by finding paving before us there, and whatever we save by that we will pay you.

1177. The effect of the arrangement would be that the vestries would not only be relieved of the expense of repairing the roads in future, but they would have repaid to them the expense they had been already put to in paving the roads; is not that so?—A very considerable portion of it. Supposing the pavement is perfectly new, it would come very near to the present value in this way: that I should still have to take it up and put it down again, and therefore it would, practically, merely be the cost of the material that would be saved. Now, the laying down of the pavement would be very expensive. The principle to be settled was this, that whatever we saved by finding the pavement there we would pay the parish.

1178. That would amount to a very considerable sum in many cases, would it not?—No doubt.

1179. And you were driven to that, I suppose, by the difficulty which you found in altering the fares. I presume that the fares which you were able to charge under your Act of last year had reference to the expense of laying down the tramway?—Quite so.

1180. This year when you proposed to lay your tramways upon roads already paved, the alternative was presented to you either of reducing the fares or of paying to the parishes the expense of maintaining the roads?—Yes, we said that we would either agree to a limitation of dividend, and give the public the benefit of reduced fares, or that we would pay them a sum equivalent to the sum we should have had to pay in excess, if the tramway had been laid down on a macadamized road.

1181. In other words, the vestry has derived the benefit rather than the public in those cases?—Yes, to the extent of the principle of the tramway company undertaking the construction and repair of the tramway. Of course we start with that, and, starting with it, I say we must not go one inch beyond it.

1182. But may there not be also exceptional circumstances of the same character the difference of which would not be measured in fares, and where it would be only reasonable that the local authority should derive the benefit?—In the case of pavement?

1183. I do not know; but circumstances of the same kind; for instance, one street may be much more profitable for laying down a tramway than another, and yet it may not be possible to measure the difference in the fares?—That is so, no doubt. Of course, I quite understand that, supposing a tramway were permitted by the local authority in a certain street, like some very populous street, it would be quite competent for them to say, Either pay us something a year for it, or we will take care that you shall not make more than a fair return upon

Mr. *J. Morris.*
4 April 1870.

upon your capital, and the fares shall be reduced, and the service shall be of an exceptionally good character.

1184. When it is proposed in the concession to give no power of reducing the fares from time to time, according as the returns are more or less, then, that being the case, and supposing one set of streets should be more profitable to the tramway than another, would it not be fair that the local authority should derive the benefit from that?—It is impossible to predict that. If we start with the proposition that the local authority is to sell the concession, of course that is one way of providing for some payment which will interfere with the question of fares. If, on the other hand, you say you must take the entire district, I take it, in any given town, according to my theory, that district would be under the control of one body and not under several bodies, and, therefore, you must take the thing as a whole. If you take Manchester, the people, by reason of the dense population, can be carried at a farthing a mile, there is no reason why there should not.

1185. Provided one company or corporation is to lay down one tramway over the whole district; but supposing the town is divided into districts and let out to different companies, one company may have a more profitable district than another, and yet it may not be possible to measure that distance by difference in fares, would it not be reasonable then in such a case that the local authority should derive what benefit there is in the difference between the conditions of the two districts?—Quite so. I have not the least objection to say that if the local authority likes to take the risk of the tramway and lease it, it may do so.

1186. But take the case of Oxford-street; I presume Oxford-street would be an exceedingly profitable street down which to lay a tramway as compared with some of the streets which run parallel to it, and yet it may not be possible to measure that difference in the fares?—It might be measured in this way: if you had a limitation of dividend upon the principle now so many years recognised in the case of Gas Companies.

1187. But the principle of limitation of dividend is not admitted in your Act of last year, is it?—No, it is not admitted in our Act of last year; but I am now discussing the general question.

1188. But do you think it reasonable that there should be a limitation of dividend?—I see no objection to a limitation of dividend.

1189. Do you think it would be fair in principle that it should be introduced?—The tramway must either be looked upon upon the principle of a limitation of dividend, or upon the principle of a term, and I rather understand that the Bill before the Committee was based upon the term.

1190. There is no limitation of dividend proposed in this Bill, but there is a limitation of time; but assuming there is only a limitation of time, I think you have already admitted that there may be districts varying very much in their conditions of probable profit to the tramway?—Quite so.

1191. And yet which cannot be measured in difference of fare?—Quite so.

1192. Then if you are not to adopt the principle of limitation of dividend, would it not be proper that the local authority should derive that advantage by way of asking a higher payment from the company for one system of tramways as compared with another?—Quite so, as between the tramway company and the local authority; of course it is quite clear that the local authority as having the right to the road, and representing the ratepayers of that district has the right to make any profit out of it, but what I say and respectfully submit is, would not that matter be more effectually reached in the public interest by having (if it were so arranged) a limitation of dividend, whereby the entire public would be benefited by it; for instance, I have as much right to go into Oxford-street as any ratepayer of Oxford-street has; I may go there with my carriage every day.

1193. Still although you have laid down that general principle that the tramways ought to be for the good of the public, and not for the good of the town, you have not introduced that general principle in your Acts of last year or this year with the limitation?—No, it was only the year before last that the Tramway Bill was rejected in the second reading in the House of Commons without even a word of discussion, and now that the subject has become ripe, I think that it would have been impossible to have done that last year. The question has now become very strongly matured, and capital could be obtained upon easier terms than it could have been before.

1194. But

1194. But in your Bills this year you did not introduce that principle?—The Bills of this year were prepared some six months ago, and the subject has ripened immensely during the last three or four months.

1195. And you did not carry that principle out when you made the bargains with the vestries on the subject of paved roads, did you?—No, we made that bargain: we said either there shall be a reduction in the rates, or we will pay you so much for the road.

1196. They preferred to have a substantial return of money representing the value of the paving already on the streets, did they not?—Quite so.

1197. And in that way you have got the consent of the vestries?—It was not in that way that we got the consent of the vestries, because it is only in one vestry that the question has ever been raised, and I think we have said to one other vestry, that whatever we have done in one case, we shall do in the others; but we had the consent of all the vestries before this question was raised. St. Pancras is the only vestry with which we have had to discuss the question. That is the only vestry, so far as we are concerned, where they have raised that question.

1198. I presume that the principle once conceded to St. Pancras would be extended to all the others?—Quite so. The other vestries have been influenced by the belief that tramways are desirable. I should like to mention also to the Committee that tramways are not always paying investments. In many cases of tramways in this country and abroad they have been anything but that.

1199. Mr. *Ayrton.*] Can you lay before the Committee a copy of any resolutions or agreements come to by you with any vestry?—Yes, I could lay before the Committee the resolution of the St. Pancras Vestry.

1200. And any others?—I think you may take it generally. They did not convey to us resolutions; we are not before the vestries, but we know as a matter of fact, by communication with the officials, that the vestries in all the lines of the south of London are favourable.

1201. Have you brought them to any formal arrangements in writing?—I am not prepared to answer that question distinctly.

1202. Let me call your attention to Clause 21 in the Act of last Session in which you have indirectly obtained power to use locomotive engines on those tramways?—I do not think so.

1203. "The company may use on their tramway, carriages with flange wheels, or wheels specially or particularly adapted to run on a grooved railway, but such carriages and all carriages used on the tramway by persons other than the company, shall be moved by animal power only;" that applies to all, does it?—I do not think that that was intended.

1204. With regard to fares and rates have you obtained for yourselves power to carry goods on the tramway without any restraint as to the rates to be charged under the Act of last Session?—I think the Act of last Session was limited to passengers and their luggage only.

1205. Mr. *Sclater-Booth.*] You were expressly protected against being obliged to carry goods, were you not?—We were so.

1206. Mr. *Ayrton.*] But you have the power to carry goods, have you not?—I do not think so; I know that it was the intention of the Committee not to let us do so. One of the vestries raised the question distinctly, and said "We object to your having power to do it, because it may be extremely inconvenient to our neighbourhood to find you carrying goods all night long."

1207. It says, "The company shall not be bound to carry, unless they think fit, any parcel, goods, articles, or things other than passengers' luggage, not exceeding the weight in this Act in that behalf mentioned;" it would be a great surprise upon the parishes if they found that you had the power to carry goods, and still more so if you are unrestrained in the amount of charge that you would make for them?—I think that it would; my impression is that there is something in the Act as to that.

1208. Upon what principle was it that the toll was fixed for passengers; was any computation made as to the rate of remuneration, or how was it arrived at in the Act of last Session?—Evidence was given as to the rates charged in other cities under similar circumstances.

1209. You mean in other places abroad?—Yes

1210. But was there any investigation as to the tolls charged upon turnpike

Mr. *J. Morris.*

4 April 1870.

roads in this country when that rate was fixed at one halfpenny per mile?—Yes.

1211. I think it was rather fixed upon this principle, that the promoters asked for certain fares; it was discussed with the parishes, and the Committee felt that this was a new matter, and that the fares were reasonable, having regard to the evidence brought forward from almost all parts of the world as regards the fares charged elsewhere, particularly in Copenhagen.

1212. Then what would be the relative rate with reference to the turnpike tolls on an ordinary carriage plying for hire?—I am not practically acquainted with it.

1213. Mr. *Sclater-Booth.*] The rates charged by the omnibus companies had something to do with it, had they not?—Yes, they had.

1214. Mr. *Ayrton.*] Assuming that an omnibus carried 24 persons, it would be at the rate of a shilling a mile, would it not?—Quite so.

1215. Have you any idea what proportion that bears to the rates charged in the Commercial-road, where there is a tramway laid down?—I have not; the Commercial-road tramway I do not think is very extensively used for passenger traffic, it is only for goods.

1216. But still may not anybody use it?—Quite so; the subject of fares was very carefully considered by the Committee, it was not hastily decided. The Board of Works were there by counsel; the London General Omnibus Company was represented, and the thing was thoroughly discussed.

1217. Do you know what is the rate charged on a carriage drawn by two horses plying for hire?—I do not know.

1218. Colonel *Wilson Patten.*] I believe that you are a shareholder in the foreign tramways at Copenhagen and Brussels?—Yes.

1219. What is the system of fares there, is it from end to end or by distance?—By distance.

1220. Is it in no case from end to end?—I do not think so; I am very largely interested in the Brussels tramway. There we charge a penny from the park to the boulevard, a penny more on to the King's Palace, and so on.

1221. What is the distance from end to end in Brussels?—About three miles and a-half, and it is a penny a mile the whole way.

1222. Is it the same in Copenhagen?—It is less in Copenhagen, I think.

1223. What is it in Liverpool?—It is a penny a mile.

1224. How do you propose in case there is a tramway through London to regulate the fares?—A penny a mile.

1225. If you started from Hyde Park Corner and went to the other end of London, it would come to about 6 *d.*, I suppose?—About 6 *d.*

1226. *Chairman.*] But it is a penny a mile with the option of charging threepence?—Yes.

1227. Colonel *Wilson Patten.*] Will you state exactly what you propose with regard to the fares in London?—They shall charge not exceeding a penny per mile, but the company may charge for any less distance than three miles any sum not exceeding 3 *d.*; the intention was undoubtedly to carry out the idea of uniform fares not exceeding 3 *d.*

1228. What would be the utmost power of charging that you would have according to your plan, from end to end?—Only 1 *d.* per mile.

1229. What is the largest sum that you could charge for one mile?—For any distance under three miles we may charge 3 *d.*

1230. What is the omnibus charge now?—This was applied to a single district, and I believe that the lowest fare at that time was 3 *d.* I think it was shown that the omnibus company, whilst this discussion was going on, were reducing their fares from 4 *d.* or 6 *d.* It was reduced, I know, but it was considered that this being a new matter for some time, it might be convenient until the officials got accustomed to it, to charge one uniform fare; but the intention was when the system had been extended to charge a penny a mile uniformly, without regard to distance.

1231. I observe that you object very strongly to the Metropolitan Board of Works having a control in London; you propose according to the Bill, do you not, that the vestries shall have a control in the districts through which you go, which are not within the City?—Yes.

1232. What is the amount of control which you propose that they shall have with regard to the breaking up of the roads, or stopping your tramway traffic?—They

—They have very large control and supervision by the Act. It is difficult to explain all the points as to which they have control. They have a most arbitrary power to do the repairs if we do not.

1233. Supposing it is thought desirable to alter a street, and stop it for a certain time, would that be done without any remuneration to the tramway company?—Certainly.

1234. Would they have the sole power of doing that?—We are bound to divert it at our expense.

1235. But to stop it?—Yes.

1236. Supposing that it should be necessary to stop a road altogether, Oxford-street, for instance, and that you could not divert it, should you consider that you had any claim upon the local authority?—None whatever.

1237. And you would be stopped to the loss of your company without any remuneration?—Quite so.

1238. Mr. *Sclater-Booth.*] With reference to the question of rates of a penny a mile proposed to be charged in the Bills of last year, was it considered to be a reasonable charge and something lower than the omnibus fares at the time?—Quite so; it was considered by the parishes and others I know to be a very moderate charge.

1239. Then it was shown that there would be a necessity for what is called a short distance charge, was it not?—Yes.

1240. And there was a proposal I think on the part of the Committee that the short distance charge should be less than 3 *d.*?—Yes.

1241. That was objected to by the promoters, and the Committee were satisfied that it would be unreasonable to insist upon a lower charge than 3 *d.* at first?—Yes.

1242. I think there was some arrangement in the Bill that the short distance charge should be liable to revision, was there not?—Quite so; there is a proviso that the Board of Trade may if they think fit reduce that short distance clause to 2 *d.*

1243. Mr. *Hibbert.*] With reference to Clause 19; under that clause the promoters are to keep the road in order for 18 inches on each side of the tramway; but it has been stated here that that is not a sufficient distance; that at Liverpool the roads are affected much beyond 18 inches; from your experience of the working of tramways, what is the distance for which the road is likely to be affected by the laying down of the tramway?—I do not pretend, of course, to be an engineer, or to be practically acquainted with the working of the road; but my general inquiries and experience have tended to show that the 18 inches is a fair compromise, and does fairly represent the existence of possible injury even which the tramway can do to the road, and it is accepted universally on the Continent and almost universally in America, and is the recognised standard.

1244. And you think that 18 inches is sufficient for a pavement; supposing that it is sufficient upon a macadamized road, is it sufficient for a paved road?—I think so.

1245. Do you know anything of the streets in Liverpool where the tramways are laid?—I do not know.

1246. Mr. *Dent.*] We have had it suggested here that power should be given to the local authority to make bye-laws for the regulation of traffic and the licensing of drivers and conductors as they do for the present omnibuses; would you see any objection to a clause of that nature being introduced into this Bill?—I do not see very much objection to it; it seems to me that it would be more convenient that it should be done by the company with the consent of the Board of Trade, because the Board of Trade would look at it from an entirely public point of view. In the case of London with a great number of local authorities it would be practically inconvenient and difficult to apply it. That is the reason why it was decided by the Committee, after a good deal of discussion last year, that the power of approving of bye-laws should rest in a Government Department.

1247. With respect to the licensing of drivers and conductors, of course I am not speaking of the metropolis at this moment, but in other cities and boroughs, that power rests with the local authorities I suppose?—Quite so.

1248. Do you not think that it would be necessary that the local authorities should have that power with regard to the tramway company?—I think so; in

Mr. *J. Morris.*

4 April 1870.

a corporation like Manchester where it could be conveniently done, I certainly would give them that power; I see no reason against it.

1249. Mr. *Ayrton.*] Are there not several fares now charged by the omnibus company in London of 2 *d.*?—Yes, there are.

1250. Are there any 1 *d.* fares?—I do not know any 1 *d.* fares.

1251. And you have the power under the Act of last Session, to charge for the use of the tramway, 1½ *d.* as toll merely, have you not?—I do not understand it.

1252. Is there not a clause in the Act by which you are to take a toll of a ½ *d.* on other persons using the tramways?—A ½ *d.* and a ¼ *d.*

1253. But you may charge a ½ *d.* per mile?—Yes.

1254. And you may charge three miles?—Yes.

1255. And therefore you may charge 1½ *d.* for the toll of the tramway, though the whole fare is only 2 *d.*?—Yes, but that is the maximum, the minimum is only a ¼ *d.*

1256. But you have that right, have you not?—Only with the sanction of the Board of Trade; the minimum being fixed by the Committee merely to prevent arbitrary power being vested in any department. If the Board of Trade like to fix it at a ¼ *d.*, they can; the license is to be granted by the Board of Trade, and the Board of Trade can fix the tolls within the maximum of a ½ *d.*, and with the minimum of a ¼ *d.*

1257. Mr. *Sclater-Booth.*] Was it intended that tolls of that kind should be put in at all unless on account of misfeasance?—Quite so; it would be utterly impossible for a tramway company to work if they were subject to that rate.

1258. Mr. *Ayrton.*] Is there no power on the part of the public to use the tramway upon paying tolls?—No, for this reason: that the theory that was established last year by all the evidence was, that it is the public interest that tramways should be worked by one company; and I think that some of the evidence this year of some of the local corporations has gone to that; that it would be extremely difficult for several parties to use the tramways beneficially for themselves or beneficially for the public.

1259. Then the license is to be for not less than one year or more than three years?—Yes.

1260. Then, is it the opinion of the company that people would use a tramway if they had only a term of three years?—First, we start with the proposition that it will not be done excepting on account of some misfeasance on the part of the company. If that is done, the principle would be admitted that two people can use it; and you would at once get several people.

1261. Is it your opinion that there would be a sufficient inducement to people to use a tramway if they had a right to use it for three years?—I do not think so.

1262. That must have been so represented to the Committee last year, or they could not have restrained the Board of Trade from granting a license for a longer period than three years?—It was considered, as regards opposite parties who invested no capital and ran no risk, that if they came forward as volunteers to say that they could do it better than the tramway company, they should, at all events, be restricted as regards time.

1263. I am supposing that it is a sufficient inducement to the carrying company to use the tramway if they have a license to use it for three years; that must have been so represented to the Committee last Session, or why did they restrain the Board of Trade from granting a license for only three years?—The Committee were not legislating, as I conceive, for the benefit of the licenses, but they were rather providing for an exceptional case; and, therefore, that if the misfeasance should arise and parties should come forward to do it better than the tramway company, they should be, at all events, put under certain restrictions.

1264. Then that would be an illusory proceeding, would it not, if the time was so short that nobody would or could take advantage of it?—I say that it would be very difficult for them to do it, but I do not say that it would be impossible.

1265. Then, if in the case of a tramway, it is admitted that the company is not doing justice to the public, ought not the license to be granted under conditions, not of great difficulty, but of great facility?—No doubt that might be open to question, but then this is the theory, that there are two parties at least using it;

it; there may be a dozen parties; and then that is an exceptional state of things which should only continue as short a time as possible. If we start with the principle, which we submit is the true principle, that it should be in the hands of one party, that should not be perpetuated longer than is necessary to correct what is wrong. Mr. *J. Morris.* 4 April 1870.

Mr. *George Hopkins*, called in; and Examined.

1266. *Chairman.*] I BELIEVE you wish to say something in explanation of some evidence which has been given?—There are several points upon which it seemed to me that there was a little confusion; for instance, the Committee did not seem to know that the same rail had been used in Liverpool as is being used in London, nor that the tramways were all upon the same gauge; in speaking about the estimates, a mistake was made in stating the price per double mile of tramway; it ought to have been 5,000 *l.* per single mile of tramway, I think that one honourable Member asked the weight of a carriage, and it could not be answered; two tons is the weight of a carriage. Mr. *G. Hopkins.*

1267. Mr. *Ayrton.*] That was on four wheels?—Yes.

1268. Colonel *Wilson Patten.*] How many persons will those carriages carry?—Twenty-two inside, 11 on each side.

1269. *Chairman.*] What is the gauge of the tramway at Liverpool?—Four feet eight and a half inches.

1270. Is that the same as under the Act of last year?—Exactly the same, and exactly the same form of rail.

1271. Is it your opinion that there should be a uniform guage laid down in the Bill?—It is desirable that there should be a uniform guage laid down in the Bill.

1272. And that there should be no power to the Board of Trade to alter the gauge in any case?—I think there ought to be a uniform gauge at least for every town, because I think the tramway system of Manchester will probably never be connected with the system of tramway in Birmingham or London. Each centre ought to be confined to one gauge.

1273. Mr. *Loch.*] Was the 4 feet 8½ inches gauge adopted in reference to a possible communication with railways?—Not at all. It is the gauge of the Birkenhead line, which has been in existence some years, and all the American lines are of that gauge. It arose rather in this way in England: when we first applied to Parliament we were obliged to apply as for a railway, the word "tramway" was not to be found in the Standing Orders, and the only gauge allowed then was one of 4 feet 8½ inches.

1274. Mr. *Cawley.*] With reference to the gauge, does not the 4 feet 8½ inches necessitate the wheels being under the omnibus?—It does.

1275. And therefore it renders them not so adaptable for omnibuses which are to run on the road as well?—The 4 feet 8½ inch gauge is not suitable for omnibuses as at present constructed.

1276. Nor for any omnibus which, having gone on the rail wants to go a mile off the rail?—No, there would not be room with the wheels outside the body.

1277. Mr. *Loch.*] What is the width of the trams near Paris?—I do not know; I should be glad to have an opportunity for setting things right with reference to the state of the tramways in Liverpool, as to which there is a false impression abroad. I beg to state that the corporation, under an arrangement with the company, did the paving themselves, and thereby exonerated the company as to any inequality between the level of the rails and the paving. The company excavated the roads and laid the sleepers of the rails, and then the corporation came and paved up to them. In the first instance, thinking that the rails would subside, they kept the paving below the level of the rails, but it was found that the rails did not subside, and they then kept the paving above the rails, and it is still above that level; the roads so formed are the roads alluded to by the town clerk in his evidence the other day.

1278. *Chairman.*] Was the tramway laid in Liverpool upon a macadamised road or upon paved roads?—Nearly all upon macadamised roads. On what we call the circle probably there is rather more paved road than macadamised road, but the roads out into the suburbs are almost all macadamised roads; as a rule we pave very close to the pavement at the side.

Mr. *G. Hopkins.*

4 April 1870.

1279. Have you found any difference between the paving and the macadamised road?—None at all.

1280. Is it possible to keep the two on a level?—It is.

1281. In your opinion is 18 inches sufficient margin beyond the tramway?—I think so. We have no works belonging to the tramway, which are beyond the outside of that rail: we have no works projecting beyond the rails, it is only for the purpose of putting the 18 inches of pavement that we have to remove anything beyond the rail; and in the line which we are constructing, now called "The Scotland-roads Line," we are adopting the same principle, and it is answering very well.

1282. Colonel *Wilson Patten.*] What is the whole distance, from end to end, of your line at Liverpool?—The one that is open is a little over two miles, and then we have what is called the circle quite in the centre of the town, which is a mile-and-a-quarter long.

1283. What is the fare?—The fare is 3 *d.* inside and 2 *d.* outside for the circle.

1284. Mr. *Sclater-Booth.*] Or any part of the circle?—Or any part of the circle, and one of the radiating lines.

1285. Colonel *Wilson Patten.*] If you get into the carriage at all you pay 3 *d.* for any distance, however short?—However short.

1286. Mr. *Loch.*] Is that the full extent of your Parliamentary powers; the two miles which you have laid down, and the mile and a fraction?—No; we have another line in the opposite direction for about two miles, which is now about three-quarters constructed, but not yet opened.

1287. Colonel *Wilson Patten.*] Have you the same fares there?—The same fares.

1288. What is the utmost fare which you have?—Threepence. I do not think it is a mileage toll at all; it is a lump sum. The mileage toll is not less than 3 *d.*, but any person can ride upon the tramway. It is a little less than a penny a mile if you ride the whole length.

1289. Mr. *Rayner.*] Will you be good enough to give the Committee an analysis of the cost, showing how much of that is for tramway and sleepers, and how much for paving?—The 5,000 *l.* per mile only applies to tramways in London. The cost is not so much in Liverpool. I think that the Parliamentary estimate was about 3,500 *l.* for a single mile in Liverpool. The rails and sleepers cost about 1,000 *l.* per mile. In Liverpool the cost would be about 2,500 *l.* per mile, and in London from 4,000 *l.* to 5 000 *l.* That is the paving and the foundation to the road.

1290. Mr. *Ayrton.*] That is always assuming that it is a pitched paving?—Yes, always with the cubes. We did that in Liverpool throughout, whether the road was macadamised or whether it was paved; we took up the old paving and put down new paving. I am afraid of wearying the Committee, but the town clerk of Glasgow is not correct in saying that we have thrown nearly all the omnibuses off the road; on the contrary, we have attracted a large number in addition.

1291. *Chairman.*] On the same road?—On the same road.

1292. Colonel *Wilson Patten.*] Not upon the same line?—Yes, upon the same line of road. The two miles of road on which we have laid down a tramway was, up to the time of our opening, served by eight omnibuses. The omnibus company have put on twelve extra ones, so that they have 20 omnibuses, *plus* the tramway carriages.

1293. Mr. *Sclater-Booth.*] That has not gone on long, I suppose?—Those new carriages are made with wheels suitable to run on the tramway, the wheels being under the carriages.

1294. Mr. *Ayrton.*] Do they run well upon the tramway?—Very well indeed. They get almost as much benefit out of the tramway as we do.

1295. Then perhaps there is no advantage in having a flange if they do quite as well without it?—They do not do quite so well without the flange. The same thing is found on the dock tramway at Liverpool. The wheels are underneath, and they are obliged to have a flat tire five inches wide, in order to overlap the rails, and, not having a flange, the line is not rigid, and there is considerable oscillation sideways.

1296. How broad would the tram-plate have to be to enable them to drive on it

it without a guide?—Those rails are three inches, and the omnibus tires are now being made to three inches, and they run very nicely to that. Mr. *G. Hopkins.*

1297. You think a four-inch tram-plate would be sufficient to enable a person to drive along it?—It is sufficient in this particular case. They substitute a driver for the flange of the wheel. 4 April 1870.

Mr. *Benjamin Boothroyd,* called in; and Examined by Mr. *Thomas.*

1298. Are you a Director of the Staffordshire Potteries Street Railway Company (Limited)?—I am. Mr. *B. Boothroyd.*

1299. Have you laid down a tramway for some years?—For nine years.

1300. You have no Parliamentary powers?—We have none.

1301. What is the length of your tramway?—One and three quarter miles.

1302. And I believe it runs between the towns of Burslem and Hanley, in the Potteries?—Yes.

1303. Do you carry a very large number of passengers?—We do.

1304. Something like 200,000 a year, I think?—Yes.

1305. What you desire is to have three clauses which are here inserted?—That is part of our wish.

1306. I think the Committee have them. The first one is: "Applications may be entertained if a certain majority of road authorities are consenting. Where in any district a tramway is intended to be constructed along roads which are under the jurisdiction of more than one road authority, and of the road authorities some are consenting and others are not consenting to the application for the Provisional Order, the Board of Trade may proceed with the application, and may make the Provisional Order, upon proof being given to their satisfaction that the consent of a majority of the road authorities to the application has been obtained, such majority to consist of three-fourths in number of the road authorities under whose jurisdiction or control the roads affected are vested, or (as the Board of Trade may determine) of road authorities representing three-fourths in length of such roads"?—Yes; although we have put that clause in we should prefer the clause proposed by Sir Joseph Heron.

1307. *Chairman.*] Then you are satisfied with the clause proposed by Sir Joseph Heron?—Yes.

1308. It is suggested by the experience of tramways already laid down without any Parliamentary sanction?—Yes; I may say that we have four local authorities within one mile.

1309. Mr. *Ayrton.*] Who gave you leave to lay down the tramway?—The local authorities.

1310. Under what power?—The only formal concession which we had was from the turnpike trustees, and they said they granted us powers so far as they possessed powers.

1311. They had no special powers under any particular Act?—No special powers whatever.

1312. Is it a tramway in a road or a mere tram-plate laid down on the surface of the road?—We originally put down the American rail, the flat rail, but we found that dangerous owing to accidents, and we devised a rail of our own, a grooved rail, and substituted that for our rail; one is grooved and one is flat.

1313. Then it is all level with the surface of the road except the groove?—Yes, except the groove.

1314. And anybody can go on it who pleases?—Yes.

1315. And anybody can run a flanged carriage upon it who pleases?—We have nothing to prevent that.

1316. *Chairman.*] Has anybody done that?—Not at present.

1317. Mr. *Ayrton.*] In fact it is an ordinary highway, subject to all the laws of an ordinary highway?—Yes.

1318. And no difficulty has arisen from that?—When we were constructing the tramway a drunken commercial traveller came to grief and brought an action against us; every precaution was taken, such as lights and guards; he brought an action at Stafford, and the very first objection made by the judge was that all our precautions were of no use whatever, that we had no right there; that we were there as trespassers, and our position now is no better.

Mr. *B. Boothroyd.*

4 April 1870.

1319. With regard to your position, how many years have you been there without any difficulties?—Nine years.

1320. Has anybody who used the road for general purposes complained of it?—I do not know that they have.

1321. Has anybody used the tramway with a flange wheel?—No.

1322. You use it only for passengers?—For passengers only.

1323. *Chairman.*] Is there anything to prevent a person putting a vehicle with a flange wheel upon it?—Not that I am aware of.

1324. Mr. *Loch.*] What did your road cost you?—We were unfortunate in that matter. I think the actual cost of the undertaking would not have been above 1,500 *l.* or 1,600 *l.* a mile, and the stocking of it was perhaps about 1,000 *l.* more; but we fell into bad hands. We gave a concession of 500 *l.* a mile to Mr. Train for a presumed royalty, and I think we were indeed cheated in the experiment by the constructor, who was an American also. It could have been put down for 1,500 *l.* a mile. It was put down contract. The capital of our two miles now, including everything, is 6,000 *l.*

1325. *Chairman.*] Is it paved at all?—It is not paved; it is macadamised.

1326. Mr. *Loch.*] Are the rails laid upon stone sleepers?—No, upon the ground.

1327. *Chairman.*] Are you anxious to obtain the sanction of this Bill for your tramway, and for any extension which you may make?—We are.

1328. But in consequence of the numerous local authorities through whose districts you would have to run you wish for some clause which would enable the Board of Trade to dispense with their consent in certain circumstances?—We do.

1329. Mr. *Ayrton.*] What has prevented you extending your tramway hitherto?—The first reason was our insecure condition; that was the principal reason.

1330. Did any of the local authorities refuse to give you permission?—No; we found that we were liable to actions, to which we had no answer.

1331. Was that your insecurity?—That was one insecurity.

1332. What is the other?—Actions for damages; we were constantly liable to litigation.

1333. Is there any other insecurity than that?—We have only the concession from the turnpike authorities for a very limited time.

1334. How long?—Five years.

1335. Then if they have the power to concede for a longer time that would obviate the difficulty, would it not?—It would be an advantage, certainly.

1336. Mr. *Loch.*] Are you working the line now?—We lease it; but it is at work now.

1337. Has it been profitable as a speculation?—It has not.

1338. Mr. *Sclater-Booth.*] You want to have a preference in case this Bill passes in your own locality?—We want to place ourselves under the provisions of this Act, because we presume that it would enable us to obtain Parliamentary sanction for any extension of this undertaking at less cost than by a Private Bill.

1339. *Chairman.*] The other clause is to enable you to come to terms with the road trustees as to tolls, is it not?—Yes. "Where previously to the passing of this Act any company or persons shall have laid down a tramway upon any road with the consent of the road authority, such company or persons may maintain, use, and work such tramway in accordance with the terms and conditions, if any, of the consent so given." We ask that clause to be inserted in the Bill also.

1340. Mr. *Ayrton.*] Do you pay a toll to the trustees of the turnpike road?—We do.

1341. The ordinary toll?—Not the ordinary toll.

1342. But a composition?—Yes, in fact the ordinary toll would extinguish us.

1343. Mr. *Thomas.*] I think your gradients are very steep, are they not?—They are very steep.

1344. And you would not be able to put down paving there?—It is 1 in 25, and I think a paved road with a gradient of 1 in 25 would be highly dangerous for ordinary use.

1345. *Chairman.*] You think there should be no restriction in the Bill upon that point?—We think not. We propose also the following clause: "The promoters

moters and any road authority may, from time to time, compound and agree for the payment by the promoters to the road authority, of any sum either monthly, quarterly, or yearly, or a longer period, in lieu of the tolls, rates, and charges, which the road authority are, or would otherwise be entitled to demand and take for the use by the promoters of the road, or any part of the road, belonging to or under the control of the road authority."

Mr. *B. Boothroyd.*
4 April 1870.

1346. You acquiesce in the amendment already put?—Yes, and I may say with respect to a few other matters, that in the first place we approve of the amendments of Sir Joseph Heron. The only substantial objection that we have is the conversion of the certificates into the Provisional Order contemplated by Mr. Coates. We want the certificate, and if it be converted into a Provisional Order at all, we think that it ought to be surrounded by some restrictions which would not give a petitioner a right, as a matter of course, of converting the Provisional Order into a Private Bill, and exposing us to the cost of appearing here.

1347. Mr. *Sclater-Booth.*] This is subordinate to your other proposal, that you should have a priority in your own locality?—It is so.

1348. Mr. *Ayrton.*] Have you had any disputes with the local authority respecting the repairs of the road?—We are now at difference with them as to what we should do in the way of paving it; but I believe that that matter is arranged, and we are deferring doing it now on account of the gas-pipes being taken up.

1349. How much do you pay them yearly in lieu of tolls?—£. 300 a year in lieu of tolls for the whole length. We have an idea with respect to the Provisional Order, that it should not be in the power of any petitioner to send the Provisional Order at once to a Select Committee of the House. We think that anyone having cause to complain of the report of the referee should petition Parliament, and that Parliament itself should determine upon the report of the referee and the complaints of the objector whether it was desirable that it should be remitted to a Select Committee or not. I think that Parliament should not be passed by in the manner in which it appears to be by the contemplated alterations.

Mr. *Barron Emmanuel*, called in; and Examined by Mr. *Thomas.*

1350. Do you appear on behalf of the Portsmouth Street Tramway Company?—I do.

Mr. *B. Emmanuel.*

1351. Would the effect of the clauses which you have handed in, be to do what the company want as regards the existing tramways, without the necessity of their going on with the Bill?—Yes.

1352. Otherwise the fact of their joining an existing tramway would oblige them to go on with their Bill, and they desire to avoid that?—Yes.

1353. Mr. *Cawley.*] Would those clauses at all affect the existing Landport Act?—None of those clauses are touched.

[Adjourned till Thursday next, at Two o'clock.

REPORT

FROM THE

SELECT COMMITTEE

ON

TRAMWAYS BILL;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE

AND

MINUTES OF EVIDENCE.

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INDEX

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I N D E X.

[*N.B.*—In this Index the *Figures* following the Names of the Witnesses refer to the Questions in the Evidence; and the Numerals following *Rep.* to the paging of the Report.]

A.

ABERDEEN. Improbability of Aberdeen being affected by the proposed Tramway Act, *Monro* 640, 641.

Accounts. Suggested clauses, making it obligatory to render an account, *Part* 266, 267.

Arbitration. Inability of witness to comprehend paragraph 9 in Clause 52, as to the referee being deemed an arbitrator between the parties; absence of any definition of the word "parties," *Coates* 139–142.

B.

Birmingham. Power of the corporation of Birmingham to lay out tramways, but not to sell nor to take tolls, *Sir J. Heron* 345, 346——Clause proposed on the part of Birmingham, giving certain further powers to local authorities, which shall have already obtained Parliamentary power, to lay down tramways, *ib.* 490, 491.

Explanation, on the part of Birmingham, that the corporation merely want power under the Bill to take tolls, and that, having gone to Parliament for a Private Act, they demur to be compelled to go a second time, *Hayes* 492–497.

Board of Trade. Restrictions suggested as regards the power of the Board of Trade to make rules and regulations, *Coates* 11–21. 71–76——Suggested removal of Clause 35, as regards the power of the Board of Trade, by certificate, to vary the tolls, charges, and regulations specified in the schedule to the Act, *ib.* 103——Grounds for objecting to the system of a preliminary inquiry by the Board of Trade, *Coates* 104 *et seq.*; *Morris* 931–945. 961–965——Satisfaction expressed with the Board of Trade, as the tribunal to decide in consent cases, *Morris* 960, 961.

Resolution of the Committee that the Board of Trade, after considering objections, shall have power to proceed with a provisional order, notwithstanding that certain of the local or road authorities refuse their consent, and shall report to Parliament their reasons for the same, *Rep.* x.

See also *Preliminary Inquiry.* *Provisional Orders.*

Boothroyd, Benjamin. (Analysis of his Evidence.)—Represents the Staffordshire Potteries Street Railway Company, 1298——The tramway of the Company, which runs between Burslem and Hanley, and carries a large number of passengers, was laid down merely under the sanction of the turnpike trustees, 1299–1304. 1308–1311——Clause suggested enabling applications to be entertained, if a certain majority of the road trustees are consenting, 1305–1308. 1327–1328——Form of rail used; exceptional instance of complaint, 1312–1323——Unduly large cost of the tramway; it has not been profitable, 1324. 1336, 1337.

Suggestion with a view to the tramway coming under the sanction of the present Bill, 1327, 1328. 1339——Want of increased security and facility in carrying out extensions, 1329–1335. 1338——Arrangement as to the payment of tolls to the road trustees, 1340–1342. 1349——Objection to compulsory paving where the gradients are steep, 1343–1345——Clause proposed on the subject of compounding for tolls, 1345, 1346——Disapproval of the suggestion for converting the certificate into a provisional order; suggestions on this point, 1346, 1347. 1349——Difficulty between witness's Company and the local authority respecting the paving of the road, 1348.

Branch Tramways. Additional clause proposed on the subject of branch tramways or sidings, with a view to facilitating the public use of the main tramways, *Part* 261–265.

Report, 1870—*continued.*

Bye-Laws. Suggested alteration in Clause 36, with a view to there being a publication and notice of the bye-laws, *Part* 269, 270——Alteration proposed, on the part of Manchester and Salford, in Clause 36, on the subject of bye-laws, *Sir J. Heron* 452——Explanatory statement as to the different views put forth by Manchester and by Liverpool on the subject of bye-laws; the town clerk of Liverpool is prepared to speak on this point, *ib.* 452. 498-501——Amended clause proposed by Liverpool and other towns, with reference to the making of regulations or bye-laws by the road authorities, *Rayner* 504——Convenience in the bye-laws in Scotland being subject to the review of the sheriff, *Monro* 614-616.

Resolution of the Committee, that power be given to local authorities to make bye-laws for regulation of traffic, and for licensing drivers and conductors of vehicles, *Rep.* xi.

See also *Rules and Regulations.*

C.

Cabs. Doubt as to cab traffic being much affected by tramway competition, *Monro* 605-608.

Canals. Circumstance of all kinds of traffic being, as a rule, admitted on canals, *Part* 250-252. 259——Proposed amendment in order to prevent the promoters of tramways having power, without the express authority of Parliament, to lower the headway of a bridge over a navigation, or to diminish the waterway, *ib.* 271.

Capital. Expectation that under proper facilities a large amount of money will be invested in street tramways for omnibus traffic, *Morris* 926-929——Impracticability of raising the required capital for tramways, unless protected against the unfair use of the rails by omnibus companies, *ib.* 1060. 1063, 1064. 1088-1091——Inexpediency of such restrictions as shall have the effect of deterring investment of capital in tramways, *ib.* 1136. 1193.

Certificate. Unfairness of the proposal in the Bill that the certificate is to have the force of law, if not objected to when laid upon the Table of both Houses of Parliament, *Coates* 22——Practically, certificates are never objected to by either House, *ib.* 22. 158——Conclusions favourable to the substitution of provisional orders for certificates, *Coates* 22, 23. 77-80. 103. 152-184; *Morris* 1025; *Rep.* x.

Consideration of the question whether the certificate system may not be altered so as to give parties the same full opportunities to be heard that witness advocates by means of provisional orders, *Coates* 152-184——Statement in favour of "provisional certificates" in lieu of "certificates," *Sir J. Heron* 373-376——Amendment suggested in the Bill in order ro render unnecessary a separate certificate for each district where there are several districts consenting, *Morris* 1022-1024.

Dissent from the proposed conversion of the certificate into a provisional certificate; suggestions on this subject, *Boothroyd* 1346, 1347. 1349.

See also *Provisional Orders.*

Coal and Iron Traffic. Sundry amendments suggested in the Bill for the protection of coal and iron interests in Lancashire and Cheshire, *Part* 186 *et seq.*——Great inconvenience which might arise as regards coal traffic and other heavy traffic in Lancashire, &c., if not entitled to the use of the tramways, *ib.* 213 *et seq.*

Coates, Thomas. (Analysis of his Evidence.)—On the part of certain railway companies and other petitioners against the Bill, witness has carefully examined the Bill, and proposes to introduce important alterations under four distinct heads, 1-10——Alteration proposed in the third clause to the effect that the Board of Trade, before proceeding with the Bill, shall make the rules and regulations, and that these shall form part of the Act, or be scheduled to it, 11-19. 57-59——Explanation as to witness not proposing any schedule of regulations in lieu of Clause 53, which he proposes to strike out, 14. 57-59. 150-152——Objection to any discretionary power in the Board to make additional regulations, which go to the rights of parties, 20, 21.

Important amendment proposed in the fourth clause, by striking out the word "certificate" and substituting the words "provisional order;" contemplated amendment of the Bill throughout in this respect, 22, 23——Very mischievous effect apprehended if the fifth clause, conveying powers of sale, be passed; grounds for recommending the total removal of this clause, 22-33. 185——Aggravation of the evil of the proposed right of sale, by the condition that the Board of Trade shall consent, 23. 28.

Evidence in support of the conclusion that Clause 7 should be amended as regards the power proposed to be given to the local authority or promoters to lease the tramway after they have made it, 34-70——Contemplated grant of licenses by the local authority relative to the use of the tramway by carriages belonging to any public company; explanation hereon, that witness approves of the tramways being thrown open for the use of the public, 41-56. 60-64——Witness very much doubts whether tramways can be worked at all in crowded towns, except for heavy traffic, 52.

Report, 1870—*continued.*

Coates, Thomas. (Analysis of his Evidence)—*continued.*

Amendments suggested in clause 8 as regards the large discretion proposed in the Bill to be given to the Board of Trade in respect of rules and regulations, 71–76——Further statement as to the proposed substitution of the provisional order system for the certificate system, 77–80. 103. 153–184——Explanation of the views of the railway companies in favour of an uniform gauge being prescribed, 81–86——Provision suggested as a supplement to Clause 22, with a view to reasonable satisfaction being given to railway companies where their bridges, &c., are affected by tramway works, 87–89.

Proposed insertion of a proviso in the case of clause 31, in order that all railway companies in any place may be on terms of equality as regards the use of any tramway, 89–100——Objection to the requirement in Clause 32 as to the approval of the Board of Trade before the purchase of a tramway by the local authority, 102, 103——Suggested removal of Clause 35, as regards the power of the Board of Trade, by certificate, to vary the tolls, charges, and regulations specified in the schedule to the Act, 103——Objection by the omnibus companies to the provisions in Clause 41, as to obstruction to carriages using the tramways, 103.

Important amendments proposed in Clause 52 upon the subject of the preliminary inquiry made by the Board of Trade, 104 *et seq.*——Claim of railway companies to be heard before the referee upon the question of unfair competition, or of interference with access to stations; proviso suggested hereon, 105–116——Expediency also of a right in owners or occupiers of shops and warehouses to be heard before the referee, 116——Expediency of a right to be heard not only before the referee, but against the Bill for confirming the provisional order; approval, however, of opponents being shut out in the latter case, unless they had asked to be heard before the referee, 117–129.

Effective check to petitions against Private Bills through the power of Committees to give costs, 133–135——Strong objection to the proviso in Clause 52 that opponents before the referee may be compelled to pay the promoters' costs as well as their own, 136–139——Inability of witness to comprehend paragraph 9 in Clause 52 as to the referee being deemed an arbitrator between the parties; absence of any definition of the word "parties," 139–142——Suggestion that railway companies be exempted from paying more than one-fourth of the rate for the purposes of tramways; similar exemption under the Board of Health Acts, 143–149.

Consideration of the question whether the certificate system may not be altered so as to give parties the same full opportunities to be heard that witness advocates by means of provisional orders, 152–184——Main object of witness's appearance before the Committee to represent that his clients shall have an ultimate appeal to Parliament, 152–168——Exception taken to referees as the persons who virtually decide under the certificate system, they not being persons of eminence, 155. 177——Respects in which inquiries before the Board of Trade are very unsatisfactory; disapproval of their assuming a judicial character, 177–184.

[Second Examination.]—On the part of Messrs. Shoolbred and certain petitioners in Oxford-street, witness submits that certain protective amendments are required for those having frontages in the streets, 794 *et seq.*——Suggested amendment of Clause 53, as to the persons to be heard before the referee, 794, 795——Proposition that two-thirds of the owners and two-thirds of the occupiers in a street where a tramway is proposed shall be consenting parties, 795–797. 803–806. 813, 814. 831–837. 859–867.

Evidence in support of the conclusion that shopkeepers, as in Oxford-street, should have a claim to compensation for injury or loss of custom, caused during the construction of the tramway, 798–806——Statement in support of claims to compensation, if injury or loss of trade can be proved to have resulted from the operation of the tramway and the obstruction of the traffic to and from the shops, 807–830. 838–858.

Difficulty as to the precise means desirable for protecting the omnibus interests, 867, 868.

Compensation. See *Shops.*

Competition. Expediency of tramways being worked by tramway companies as distinct from omnibus companies, each stimulating the other in the public benefit, *Morris* 1006–1013.——*See* also *Omnibus Traffic.*

Consents. Approval of the general scheme of the Bill so far as it applies to consent cases, *Morris* 930. 945–947——Expectation that the Bill will be extensively used in consent cases, more especially when tramways are once established and extensions are required, *ib.* 944–947.——*See* also *Board of Trade. Local Authority. Ratepayers.*

Consolidation Act. Proposition for passing the provisions in Part II. and III. of the Bill, in the form of a Consolidation Act, rather than of a public General Act, *Morris* 1042–1049.

Copenhagen. Marked increase of omnibus service in Copenhagen after the tramways were established, *Morris* 1007, 1008.

Report, 1870—*continued.*

Cost of Tramways. Explanation relative to the cost, respectively, of making the tramway, and of stocking it with horses and carriages, &c.; enhanced cost in the former case when the rails are laid in paved roads, *Morris* 1001, 1002. 1137–1146. 1168, 1169——Statement as to the larger portion of the required capital being for horses, rolling stock, &c., *ib.* 1001, 1002——Relative cost per mile of tramway in Liverpool, and in London; much greater cost in London, *Hopkins* 1266. 1289, 1290.——*See* also *Paving.*

Costs. Effective check to petitioners against Private Bills through the power of Committees to give costs, *Coates* 133–135——Strong objection to the proviso in Clause 52, that opponents before the referee may be compelled to pay the promoters costs as well as their own, *ib.* 136–139——Opinion that parties who have appeared before the referee should be liable to costs if they oppose before Parliament, *Sir J. Heron* 376, 377.

D.

Deposit. Approval of the requirement in Clause 10, as to a deposit being made and being retained as security for the works, *Morris* 1035–1041.

Deviation of Works. Clause proposed with reference to the vertical deviation of tramways, in the event of alterations by the road authorities, *Morris* 1050–1053.

See also *Widening of Roads.*

Dividend. Absence of any limitation of dividend in the Act of last year, *Morris* 1126 1127——Non-objection to a limitation of dividend on certain conditions, *ib.* 1186–1192 ——Several instances of unprofitable tramways, *ib.* 1198.

Drivers. Expediency of a power in the local authorities in Manchester to license the drivers and conductors of tramways omnibuses, *Sir J. Heron* 452, 453——Approval of corporations having power in regard to the licensing of drivers and conductors; in London the control should be in the Board of Trade, *Morris* 1246–1248.

Resolution of the Committee, that power be given to local authorities to make bye-laws for licensing drivers and conductors, *Rep.* xi.

E.

Edge Rail. Objection to the provision as to an edge rail; expediency of the tramway being level and flush with the rest of the road, *Sir J. Heron* 454. 464, 465.

Emmanuel, Barron. (Analysis of his Evidence.)—Submits certain clauses on behalf of the Portsmouth Street Tramway Company; these clauses do not affect the Landport Act, 1350–1353.

Existing Tramways. Explanation of a proposed alteration in Clause 51A, for the protection of tramways already made with the sanction of the road trustees, *Part* 288, 289——Anxiety of the tramway interest for the passing of a Bill facilitating the construction of tramways, *Morris* 924, 925.

Extensions. Want of increased security and facility in carrying out extensions, *Boothroyd* 1329–1335. 1338.

F.

Fares. See *Tolls.*

Flange Wheels. Amendment suggested in Clause 45, as regards the penalties for the use of the tramways by carriages of the public having flange wheels, *Sir J. Heron* 454—— Advantage of the principle of a flange wheel, together with arrangements for keeping waggons with heavy traffic out of the way, *Rayner* 544–550——Decided objection, as regards Manchester and Salford, to the restriction in the Bill as to the use of flanged wheels, *Grundy* 913——Statement as to the general power under the Act of last Session, of using tramways so long as flange wheels were not adopted; counterbalancing provisions in the Act to the advantage of the tramway companies, *Morris* 1067–1080. 1086.

Foreign Tramways. Result of witness's experience abroad, that as soon as tramways are at work, prejudices disappear, *Morris* 947.

Form of Tramway. Decided objection to the form of tramway, &c. being defined by the Bill, *Sir J. Heron* 377, 378. 380–382; *Morris* 1047. 1049.

Report, 1870—*continued.*

G.

Gauge. Explanation of the views of the railway companies in favour of an uniform gauge being prescribed for tramways, *Coates* 81–86——Objection to an uniform gauge being defined by the Bill, *Sir J. Heron* 380–382——Great inconvenience of a hard and fast line, as to gauge, &c., *Morris* 1047. 1049——Approval of an uniform gauge, at least for every town; origin of the 4 feet 8½ inches gauge adverted to, *Hopkins* 1271–1276.

See also *Omnibus Traffic.*

Glasgow. Statement that no action has yet been taken in Glasgow under the Tramways (Scotland) Act of 1861, owing chiefly to the necessity of getting the consent of a certain number of the creditors of the roads, *Monro* 575–583——Clause proposed on the part of Glasgow, enabling the corporation to agree with the road trustees, it being open to the creditors to object before the Board of Trade, or before Parliament, *ib.* 583–589——Proposed power in the corporation or local authority to apply for a provisional order, without the consent of the road trustees, either within the burgh, or for such distance beyond the burgh, as is necessary for supplying the suburban districts, *ib.* 606–622. 634–644.

Numerous road trustees and several local authorities within the suburban limits of Glasgow, some compulsion being necessary in order to carry out an efficient tramway scheme, *Monro* 609, 610. 620–622. 632——Statement as to the corporation supplying the suburban districts with gas and water, and having power to break up the roads, *ib.* 623–631——Worse position of the corporation than at present, if prevented from coming to the Board of Trade without the consent of the road trustees, *ib.* 632, 633.

Necessity of the consent of the road trustees under the Glasgow Police Act of 1862; advantage if there were power under this Act to charge tolls for tramways, *Hoggan* 681–686. 701——Approval of the corporation of Glasgow taking tramways into the suburban districts, provided they first obtain the consent of the road trustees; doubt as to much difficulty on this score, *ib.* 705–715. 733, 734. 750–755.

Goods Traffic. Belief as to there not being power under the Act of last year to convey goods, and to do so without limit of rates, *Morris* 1202–1207.

Greenwell, Walpole Eyre. (Analysis of his Evidence.)—Statement showing that neither Marylebone vestry nor the metropolitan vestries and district boards generally, were represented by the committee or deputation which recently approved of the alteration of the Bill, by the substitution of the Metropolitan Board for the vestries and district boards of the metropolis, 869–878. 898–906——Unanimous feeling of the Marylebone vestry in disapproval of the Metropolital Board as the local authority, 876. 879–888——Conflict of jurisdiction if the construction of tramways be under the Metropolitan Board, whilst the paving and other matters are under the vestries, 880–882. 889–897.

Grundy, C. S. (Analysis of his Evidence.)—Explanation relative to, and comment upon, the notice recently given to the Manchester Carriage Company by the Pendleston-road Trustees, to remove that portion of the company's tramway within the jurisdiction of the trust, 907——Satisfaction given in Salford by the working of the tramway, which has been down for eight years, *ib.*——Peculiar claim of the company as to their interests not being prejudiced by the present Bill, *ib.*

Circumstances of the tramway in the Pendleston trust being laid in macadam, 908–913——Decided objection, as regards Manchester and Salford, to the restriction in the Bill as to the use of flanged wheels, 913.

H.

Hayes, E. J. (Analysis of his Evidence.)—Explanation, on the part of Birmingham, that the corporation merely want power under the Bill to take tolls, and that having already gone to Parliament for a Private Act, they demur to be compelled to go a second time, 492–497.

Heron, Sir Joseph. (Analysis of his Evidence.)—Represents the corporations of Liverpool, Birmingham, Leeds, Salford, and Manchester, and also the Hundred of West Derby, 315——Suggested amendment of Clause 4 of the Bill, by providing that in corporations or local board districts, it may be left to the council or local board to determine as to applying for a certificate, 315, 316. 342–344. 427——Proposed alteration of Clause 5, by withdrawing from promoters, other than the local authority, the power of disposing of the certificate; power of such promoters to sell to the local authority, 316, 317.

Necessity of power in the local authorities to transfer the tramways to other parties, as they are prohibited by the Bill from working them themselves, 316–337——Evidence

Report, 1870—*continued.*

Heron, Sir Joseph. (Analysis of his Evidence)—*continued.*

in support of the conclusion that the local authorities should have power, with the consent of the Board of Trade, to sell the concession for making and working the tramways to private companies or other parties, 318–367——Doubt as to the necessity of any check, on the part of the ratepeyers, to the sale or transfer of the concession to a private company, 324–330. 342–355. 427.

Assumption that the Bill contemplates tramways for omnibus traffic rather than for anything else, 338–341. 358——Power of the Corporation of Birmingham to lay tramways, but not to sell nor to take tolls, 345. 346——Belief as to the impracticability of two or more competing omnibus companies using the same tramway, 359, 360——Doubt as to tramways for passenger traffic in Manchester being much improvement upon the present arrangements there, 360——Opinion that there is no ground for apprehending that a power of sale would lead to jobbery, 364–367.

Principle on which the Salford tramway works; objections to which open, 368, 369——Proposed omission from Clause 7, as to the local authority not themselves using the carriages for public traffic, and taking tolls in respect thereof, 369–373——Suggested amendment of Clause 8, to the effect that the clause should apply in all cases where the tramway is practically not used for six months, 373——Proposed substitution of the words "provisional certificate," for the word "certificate" in Clause 8, *ib.*——Necessary interruption to the working of tramways, without compensation, when bridges have to be repaired, or pipes in the road have to be dealt with, 374, 375.

New clause proposed to be substituted for Clause 9 of the Bill, with a view to requiring the provisional certificate to be confirmed by Parliament, 375, 376——Opinion that parties who have appeared before the referree should be liable to costs if they oppose before Parliament, 376, 377——Suggested amendment of Clause 16, by leaving it to the local authority, with the consent of the Board of Trade, to decide upon the form of tramway and the sort of wheels to be used in each case, 377, 378——Evidence in favour also of the local authorities and the Board of Trade settling the question of gauge, 379–388.

Consideration of the question of the repair of the road, and the difficulties likely to arise through the tramway promoters maintaining one part of the road and the road authority the other part; great advantage of some arrangement by which the repair of the whole road was borne by one party, 387–408.

Proposition, on the assumption that the Bill contemplates omnibus tramways only, for excluding heavy traffic; belief as to its being impracticable to convey passenger traffic and goods traffic on the same line, 409–423——Necessity of amendment of the clause relating to licenses, the tolls proposed being altogether prohibitory; the tolls should, in fact, be left to the Board of Trade to determine, 424–426——Explanation relative to the amendments proposed in Clause 33 relative to the purchase of tramways from promoters or companies, and the principle of valuation, 427–450.

Suggested provision that each passenger may take 28 lbs. of luggage without charge, 451——Proposal for placing a list of the tolls and charges inside each carriage, 451, 452——Alterations proposed in Clause 36 on the subject of the bye-laws, 452——Expediency of a power in the local authorities in Manchester to license the drivers and conductors of tramway omnibuses, 452, 453——Amendment suggested in clause 45 as regards the penalties for the use of the tramways by carriages of the public having flange wheels, 454.

Objection to the provision as to an edge rail; expediency of the tramway being level and flush with the rest of the road, 454. 464, 465——Contemplated facility to carriages having ordinary wheels in going along or across the tramway; dispute hereon at Liverpool, 455–462. 464, 465——Suggested alteration of Clause 49 by empowering the road authority to alter the position of the tramway when necessary for the widening of the road, 464.

Clause proposed enabling the road authority to get rid of the tramway if after three years they are found to be an absolute nuisance, 466–469——Objection to the proposed introduction of a clause on the subject of non-payment of full rates; expediency of its being clearly stated that the tramways shall be liable to all rates, 469–476. 488——Explanation relative to clauses proposed on behalf of Manchester and of Liverpool, respectively, with a view to the Board of Trade dispensing with the consent of the road authorities, or of the local authorities, in certain cases, 477–487.

Clause proposed with a view to the saving of powers of the Liverpool Tramways Act of 1868; 489, 490——Proposed clause on the part of Birmingham, giving certain further powers to local authorities which shall have already obtained Parliamentary powers to lay down tramways, 490, 491.

Explanatory statement as to the different views put forth by Manchester and by Liverpool on the subject of bye-laws; the town clerk of Liverpool is prepared to speak on this point, 498 501.

Report, 1870—*continued.*

Hoggan, Andrew. (Analysis of his Evidence.)—Is clerk of several important turnpike roads in Scotland, 650-653. 742, 743——Large representation of the municipal bodies on the road trusts in Scotland, 654, 655——Considerable debt upon many of the roads, steps being, however, constantly taken both to reduce the tolls and to pay off the debts, 658-665—— Hesitation hitherto on the part of the road trustees to lay down tramways, on account of the difficulty as to the form of rail, &c.; belief that the Act of 1860 would now be soon put in operation, 666. 767, 768.

Evidence in support of the conclusion that the road trustees are the proper authorities to have power to lay down tramways; circumstance of this power belonging to them exclusively under the Act of 1861; 667 *et seq.*——Necessity of the consent of the road trustees under the Glasgow Police Act of 1862; advantage if there were power under this Act to charge tolls for tramways, 681–686. 701——Suggested amendment of the Act of 1861, by empowering the road trustees, and also the local authorities, to lease to other parties, 687-692.

Proposition, on the part of the road trustees in Scotland, for a continuance of the powers, under the Act of 1861, conjointly with the adoption of certain clauses in the present Bill, 689–699——Necessary reduction of tolls by the trustees, after being enabled by the receipts from tramways to pay off the debt, 702–704——Approval of the Corporation of Glasgow taking tramways into the suburban districts, provided they first obtain the consent of the road trustees; doubt as to much difficulty on this score, 705-715. 733, 734. 750–755.

Statement to the effect that the road trusts represented by witness, prefer that the mode of proceeding should be by Private Bill, if it be decided that their consent should not be necessary in the first instance, 716–741——Explanation of the division of roads in Scotland into statute labour roads and turnpike roads, 744–749——Approval of tramways by the road trustees, provided they are the parties to make them, 757–759.

Objection to tramways interfering with the ordinary traffic, 760, 761——Belief as to the satisfactory working of the Liverpool tramways, 761–763——Impracticability of combining heavy mineral traffic with omnibus traffic, 764–766——Suggested clause requiring the promoters of a tramway to take it up and re-lay it at their own expense, when it is necessary to alter the line or level of the road, 768, 769——Statement in explanation and support of a clause empowering the road trustees to levy tolls, or way-leave, when a tramway is laid on a turnpike road, 770–793.

Hopkins, George. (Analysis of his Evidence.)—Similar form of rail and similar gauge in Liverpool as in London, 1266. 1269, 1270——Relative cost per mile of tramway in Liverpool and in London; much greater cost in London, 1266. 1289, 1290——The weight of the Liverpool carriages is two tons, and they hold twenty-two passengers, 1266–1268——Approval of a uniform gauge, at least for every town; origin of the 4 feet 8½ inches gauge adverted to, 1271–1276.

Explanation of the arrangements between the Corporation of Liverpool and the Tramway Company as to paving; facility of keeping the rails on a level with the paving, 1277–1280——Sufficiency of a margin of eighteen inches outside the rails, as the extent of road to be repaired by the Tramway Company, 1281——Charge of a fare of 3 *d.* inside, and 2 *d.* outside, irrespective of distance, 1282-1288——Large increase of omnibuses along the route taken by the tramway; special construction of the omnibus wheels so as to utilise the tramway, 1290–1297.

I.

Islington. Strong approval of the Bill by the vestry of Islington, *Layton* 915, 916——Full approval by the vestry of the provision which defines the local authority in the Metropolis to be the vestries and local boards, *ib.* 915——Objection by the vestry to the Metropolitan Board of Works as the local authority in the Metropolis, *ib.*

J.

Junctions, Sidings, &c. Statement in favour of power in the Tramway Company, with the consent of the local authority and of the Board of Trade, to construct junctions, sidings, &c., *Morris,* 1153–1160.

L.

Lambeth. Comment upon the opposition by the Metropolitan Board in the case of the Lambeth Tramway Bill, *Morris* 970–975.

Lancashire See *Coal and Iron Traffic.*

Report, 1870—*continued.*

Layton, John. (Analysis of his Evidence.)—As vestry clerk of Islington represents that the vestry strongly approves of the Bill, 915, 916——The vestry fully approves of the provision which defines the local authority in the Metropolis to be the vestries and local boards, 915.

Lease of Tramways. Evidence in support of the conclusion that Clause 7 should be amended as regards the power proposed to be given to the local authority or promoters to lease the tramway after they have made it, *Coates* 34-70——Amendment proposed as regards the power of leasing being for a limited term, *Part* 190, 191——Proposed alteration of Clause 7, with a view to a lease of any tramway being confined to a lease of the tolls, *ib.* 246-249——Suggestion providing for the insertion of a condition of re-entry in every lease of a tramway, *ib.* 255.

Necessity of power in the local authorities to transfer the tramways to other parties, as they are prohibited by the Bill from working them themselves, *Sir J. Heron*, 316-367——Grounds for concluding that a fair competition could not be secured if a local board made a tramway and let it by tender to omnibus companies and others, *Morris*, 999-1013.

Licenses. (*Use of Tramways.*) Defence of the restriction as to licenses being limited to a term of three years, *Morris*, 1259-1265.

Liverpool:

Witness has inspected the tramway at Liverpool, and supplies particulars relative to the injury to the road at each side of the tramway, such injury reaching much further than eighteen inches on each side, *Vaughan* 290-314.

Explanation relative to clauses proposed on behalf of Manchester and of Liverpool respectively, with a view to the Board of Trade dispensing with the consent of the road authorities, in certain cases, *Sir J. Heron* 477-487—— Clause proposed with a view to the saving of powers of the Liverpool Tramways Act of 1868, *ib.* 489, 490.

Sundry amendments suggested in the Bill, on the part of the Corporation of Liverpool, *Rayner* 503 *et seq.*——Powers of the Liverpool Corporations under the Liverpool Tramway Act, on the subject of bye-laws; necessity for these powers, *ib.* 505-508——Reference to Clause 72 of the Liverpool Act, and to the power therein of the Corporation to take up the tramways within five years, under certain conditions, *ib.* 510——Clause 75 of the Liverpool Act adverted to as showing that the present Bill should override the Act, *ib.* 511.

Particulars as to the powers of the Corporation in regard to purchase of the tramways within eleven years, *Rayner* 512-516——Difference of opinion between Liverpool and Manchester in regard to consents being dispensed with, *ib.* 517-519.

Letter recently received by witness from the solicitors of the Liverpool Tramway Company upon the question of opposition to the Street Tramways Bill, *Rayner* 520, 521——Corrected letter handed in, from the solicitors of the company, *ib.* 914.

Particulars relative to the construction of the Liverpool tramway, the width of gauge, form of rail, &c., *Rayner* 522-531. 565-568—— Risk of injury to carriages, through the wheels being wrenched by the groove of the tramway, *ib.* 532. 563, 564. 569-572——Belief as to the liability of the company to make good all damage to carriages and horses, *ib.* 533——Suit now pending in Chancery upon the question whether carriages at Liverpool with ordinary wheels may travel along the rails, *ib.* 534—— Use of four-wheel carriages with three horses by the Liverpool Company, *ib.* 566-568. 573, 574——Dissatisfaction at Liverpool on the part of owners of private carriages, these avoiding the tramway route as much as possible, *ib.* 569-572.

Belief as to the satisfactory working of the Liverpool tramways, *Hoggan* 761-763——Similar form of rail and similar gauge in Liverpool as in London, *Hopkins* 1266. 1269, 1270——The weight of the Liverpool carriage is two tons, and they hold twenty-two passengers, *ib.* 1266-1268——Explanation of the arrangements between the Corporation of Liverpool and the Tramway Company as to paving; facility of keeping the rails on a level with the paving, *ib.* 1277-1280——Charge of a fare of 3*d.* inside and 2*d.* outside, irrespective of distance, *ib.* 1282-1288——Large increase of omnibuses along the route taken by the tramway; special construction of the omnibus wheels so as to utilise the tramway, *ib.* 1290-1297.

Local Authorities. Suggested amendment of Clause 4 of the Bill, by providing that in corporations or local board districts it may be left to the council or local board to determine as to applying for a certificate, *Sir J. Heron* 315, 316. 342-344. 427——Proposed omission from Clause 7, as to the local authority not themselves using the carriages for public traffic, and taking tolls in respect thereof, *ib.* 369-373——Suggested amendment of Clause 16, by leaving it to the local authority, with the consent of the Board of Trade, to decide upon the form of tramway and the sort of wheels to be used in each case, *ib.* 377, 378.

Opinion of Liverpool and some other corporations, as regards the consent of local boards, that two-thirds of the members should be present, *Rayner* 503, 504——Approval by

Report, 1870—*continued.*

Local Authorities—continued.

by the Liverpool Corporation of the provision of the Bill which makes the consent of the local authority a condition precedent to the laying down of tramways, *ib.* 516.

Grounds for concluding that the local authority, as in Glasgow, should have complete control over the tramways, *Monro* 590–600——Decided objection to the town councils on local authorities having a veto upon the construction of tramways, *Morris*, 948–956——Approval of town councils electing whether they will make tramways themselves or will let private companies make them, *ib.* 954.

Resolution of the Committee that the consent of the ratepayers be not required in boroughs governed by a municipal council, and that the decision of such council should be given at a special meeting at which two-thirds of the members should be present, *Rep.* x.

Resolution that the Board of Trade shall have power to proceed with a provisional order, notwithstanding that certain of the local or road authorities refuse their consent, *Rep.* x.

See also *Bye-laws.* *Road Trustees.* *Sale or Purchase of Tramways.* *Scotland.*

Local Inquiry. See *Preliminary Inquiry.*

Luggage. Suggested provision that each tramway passenger may take 28 lbs. of luggage without charge, *Sir J. Heron* 451.

M.

Maintenance. Amendment proposed in Clause 33 upon the subject of the tramway and the road connected with it being kept in good order, *Part* 268——Great importance of the management and maintenance resting with the companies instead of with the local authorities; all repairs should, in fact, be undertaken by the companies exclusively, *Morris* 977–995. 1014–1021——Further statement as to the importance of the repairs and maintenance resting with private companies, *ib.* 1096–1099.

See also *Roads, Repair of.*

Manchester and Salford. Doubt as to tramways for passenger traffic in Manchester being much improvement upon the present arrangements there, *Sir J. Heron* 360——Principle on which the Salford tramways works; objections to which open, *ib.* 368, 369——Explanation relative to clauses proposed on behalf of Manchester and of Liverpool, respectively, with a view to the Board of Trade dispensing with the consent of the road authorities in certain cases, *ib.* 477–487.

Explanation relative to, and comment upon, the notice recently given to the Manchester carriage company by the Pendleston Road trustees to remove that portion of the company's tramway within the jurisdiction of the trust, *Grundy* 907——Satisfaction given in Salford by the working of the tramway, which has been down for eight years, *ib.*——Peculiar claim of the company as to their interests not being prejudiced by the present Bill, *ib.*——Circumstance of the tramway in the Pendleston trust being laid in macadam, whilst the portion in Salford is in paving, *ib.* 908–913.

Disadvantage in the case of the Salford tramway through the corporation undertaking the repairs, *Morris* 1016–1018.

Marylebone. Dissent of Marylebone from the proposition that the Metropolitan Board, rather than the vestries, should be the local authority in the Metropolis, *Greenwell* 869–874. 876. 879–888.

Metropolis. Resolutions adopted at a meeting of the United Metropolitan Vestry Committee held on the 17th March 1870, in favour of an uniform gauge, and of the construction and management resting with some central authority, *p.* 19.

Non-representation of the metropolitan vestries by the committee or deputation which recently approved of the substitution of the Metropolitan Board as the local authority, *Greenwell* 869–878. 891–906——Conflict of jurisdiction if the construction of tramways be under the Metropolitan Board, whilst the paving and other matters are under the local boards or vestries, *ib.* 880–882. 888–897.

Great obstruction apprehended in the Metropolis if the Metropolitan Board of Works had charge of the tramways, unless they were at the same time the street authority for all purposes, *Morris* 966–968. 976——Less accessibility of the Metropolitan Board than of the vestries, *ib.* 972, 973——Approval of tramways by the vestries in the south of London, *ib.* 1200, 1201.

Report, 1870—*continued.*

Metropolis—continued.

Resolution of the Committee that the Metropolitan Board be the local authority in the Metropolis (except the City), but the consent of vestries be necessary as road authorities, under certain conditions, *Rep.* xi——Rejection of proposed amendment excluding the Metropolis from the operation of the Act, *ib.*

See also *Islington.* *Lambeth.* *Marylebone.* *St. James's Parish.*

Mines. Statement in support of a clause protecting the owners or occupiers of mines from making compensation in respect of damage to tramways through the working of such mines, *Part* 272-287.

Mineral Traffic. See *Coal and Iron Traffic.*

Monopoly. Evidence strongly opposed to the Bill in so far as it provides for an exclusive use of the tramway for any particular kind of traffic, *Part* 212 *et seq.*——Practical monopoly of traffic in the case of railways, *ib.* 253-255.

Monro, Alexander. (Analysis of his Evidence.)—Statement that no action has yet been taken in Glasgow under the Tramways (Scotland) Act of 1861, owing chiefly to the necessity of getting the consent of a certain number of the creditors of the roads, 575-583——Clause proposed on the part of Glasgow enabling the corporation to agree with the road trustees, it being open to the creditors to object before the Board of Trade or before Parliament, 583-589.

Grounds for concluding that the local authority, as in Glasgow, should have complete control over the tramways, 590-600——Objection to a power of sale in the local authorities, though they should have a power of leasing, or of working the tramway themselves, 591-596. 601, 602——Expected removal of omnibuses from tramway routes, 603-607——Doubt as to cab traffic being much affected by tramway competition, 605-608.

Proposed power in the corporation or local authority to apply for a Provisional Order, without the consent of the road trustees, either within the burgh or for such distance beyond the burgh as is necessary for supplying the suburban districts, 609-622. 634-644——Numerous road trustees and several local authorities within the suburban limits of Glasgow, some compulsion being necessary in order to carry out an efficient tramway scheme, 609, 610. 620-622. 632.

Approval by the road authorities at Glasgow of the provision as to the tramway companies maintaining the road within the rails and for eighteen inches outside, 612, 613. 645-649——Convenience in the bye-laws in Scotland being subject to the review of the sheriff, 614-616——Expediency of a power of deviation of the line of tramway in the event of the road being widened, 617, 618——Statement as to the Corporation of Glasgow supplying the suburban districts with gas and water, and having power to break up the roads, 623-631.

Worse position of the Glasgow corporation than at present if prevented from coming to the Board of Trade without the consent of the road trustees, 632-633——Majority of the royal burghs in which the road trustees still exact tolls; varying arrangements where the tolls have been abolished, and the debts not paid off, 637-640——Improbability of any other places in Scotland besides Edinburgh, Glasgow, and Dundee being affected by the proposed Act, 640-644.

Morris, John. (Analysis of his Evidence.)—Explanation as to the selection of witness to represent the tramway interest before the Committee, 917-923——Anxiety of the tramway interest for the passing of a Bill facilitating the construction of tramways, 924, 925——Expectation that under proper facilities a large amount of money will be invested in street tramways for omnibuses, 926-929——Approval of the general scheme of the Bill so far as it applies to consent cases, 930. 945-947.

Grounds for objecting to the system of a referee, or of a preliminary inquiry, subject to appeal to both Houses of Parliament; great expense apprehended, fatal to any extensive construction, 931-945. 961-965——Advantage of proceeding in contested cases by Private Bill, rather than by preliminary inquiry, subject to appeal; less expense in the former case, 937-943. 947. 960, 961——Expectation that the Bill will be very extensively used in consent cases, more especially when tramways are once established and extensions are required, 944-947.

Result of witness's experience abroad that as soon as tramways are at work prejudices disappear, 947——Decided objection to the town councils or local authorities having a veto upon the construction of tramways, 948-956——Approval of town councils electing whether they will make tramways themselves or will let private companies make them, 954——Contemplated jurisdiction of a Committee of the House of Commons in cases where the local bodies do not consent, 955-960——Satisfaction expressed with the Board of Trade as the tribunal to decide in consent cases, 960, 961.

Great obstruction apprehended in the Metropolis if the Metropolitan Board of Works had

Report, 1870—*continued.*

Morris, John. (Analysis of his Evidence)—*continued.*

had charge of the tramways unless they were at the same time the street authority for all purposes, 966-968. 976——Comment upon the opposition by the Metropolitan Board in the case of the Lambeth Tramways Bill, 970–975——Less accessibility of the Metropolitan Board than of the vestries, 972, 973——Advantage of tramways being laid down and maintained by private companies, directly responsible to the local bodies, 977, 978.

Great importance of the management and maintenance resting with the companies instead of with the local authorities; all repairs should in fact be undertaken by the companies exclusively, 979–995. 1014–1021——Approval of agreements whereby the tramway companies should repair the whole of the road, 996–998——Grounds for concluding that a fair competition could not be secured if a local board made a tramway and let it by tender to omnibus companies and others, 999-1013.

Expediency of tramways being worked by tramway companies as distinct from omnibus companies, each stimulating the other in the public benefit, 1006–1013——Marked increase of omnibus service in Copenhagen after the tramways had been established, 1007, 1008.

Amendment suggested in the Bill in order to render unnecessary a separate certificate for each district, where there are several districts consenting, 1022–1024——Concurrence in the suggestion of Mr. Coates as to turning the certificate into a Provisional Order, 1025——Proposed omission of Clause 5, witness strongly objecting to the local authority selling the concession for a tramway, 1026–1032——Approval of the requirement in Clause 10 as to a deposit being made and being retained as security for the works, 1035–1041.

Proposition for passing the provisions in Part II. and III. of the Bill in the form of a Consolidation Act rather than of a Public General Act, 1042–1049——Clause proposed with reference to the vertical deviation of tramways, in the event of alterations by the road authorities, 1050–1053——Suggested clause empowering the road authorities to make contracts for repairs, 1054——Proposed alteration in Clause 19, so that it may not be compulsory in all cases to pave the road, 1055–1057.

Amendments suggested in the Bill in order to exclude omnibuses from an unfair use of the rails, as by an alteration of wheels and of gauge, 1058 *et seq.*——Belief as to six feet being the proper gauge for an omnibus, 1058. 1061, 1062. 1084——Reference to the dispute in Liverpool upon the question of the use of the tramway by omnibuses, without gauge wheels, but with wheels specially constructed, 1058–1060. 1065–1073——Impracticability of raising the required capital for tramways unless protected against the unfair use of the rails by omnibus companies, 1060. 1063, 1064. 1088–1091.

Statement as to the general power, under the Act of last Session, of using tramways so long as flange wheels were not adopted; counterbalancing provisions in the Act to the advantage of the tramway companies, 1067–1080. 1086——Further statement as to the importance of the repairs and maintenance resting with private companies, 1096–1099——Facility to the public by the use of the paved road made by the tramway companies, 1100–1104.

Suggested alteration of Clause 31, so as to enable adjoining companies, with the consent of the Board of Trade, to make contracts for through working, 1106–1110——Evidence in favour of altering the purchase clause in the Bill by a substitution of the Liverpool purchase clause, and by adopting twenty-one years as the term within which the local authorities may purchase, 1111–1135——Explanation as to the arrangements proposed on the subject of fares, and as to the regulations on this point in the Act of last Session, 1126–1132. 1179–1230. 1238–1242.

Inexpediency of such restrictions as shall have the effect of deterring investment of capital in tramways, 1136. 1193——Explanation relative to the cost, respectively, of making the tramway, and of stocking it with horses and carriages, &c.; enhanced cost in the former case when the rails are laid in paved roads, 1137–1146. 1168, 1169——Proposed limitation of the width of the carriages to seven feet, 1147, 1148——Approval of a certain suggestion for a limitation of rating, 1149, 1150.

Statement in favour of power in the tramway company, with the consent of the local authority and of the Board of Trade, to construct junctions, sidings, &c., 1153–1160——Material benefit of tramways as tending to diminish the local rates for the repair of the roads, 1162–1178——Important advantage to some of the local authorities or parishes in London, through the arrangements under the Act of last year, as to the expense of paving; question hereon whether a limitation of dividend would not be desirable under certain conditions, 1170–1201.

Belief as to there not being power under the Act of last year to convey goods, and to do so without limit of rates, 1202–1207——Extensive power of vestries in stopping roads, &c., without the tramway companies having any claim for suspension of business, 1231–1237——Opinion as to the fairness of the proposal to repair for eighteen inches on each side of the tramway, 1243–1245——Approval of corporations having power in regard to

Report, 1870—*continued.*

Morris, John. (Analysis of his Evidence)—*continued.*

the licensing of drivers and conductors; in London the control should be in the Board of Trade, 1246–1248.

Information relative to the power under the Act of last Session to charge tolls for the use of the tramway, 1249–1257——Absence of power in the general public to use the tramway upon paying tolls, 1258——Defence of the restriction as to licenses being limited to a term of three years, 1259–1265.

O.

Omnibus Traffic. Objection by the omnibus companies to the provisions in Clause 41, as to obstruction to carriages using the tramways, *Coates* 103——Assumption that the Bill contemplates tramways for omnibus traffic rather than for anything else, *Sir J. Heron* 338–341. 358——Belief as to the impracticability of two or more competing omnibus companies using the tramway, *ib.* 359, 360——Expected removal of omnibuses from tramway routes, *Monro* 603–607——Difficulty as to the precise means desirable for protecting the omnibus interests, *Coates* 867, 868.

Amendments suggested in the Bill in order to exclude omnibuses from an unfair use of the rails, as by an alteration of wheels and of gauge, *Morris*, 1058 *et seq.*——Experience does not show that a tramway drives the omnibuses off, *ib.* 1006–1008——Belief as to six feet being the proper gauge for an omnibus, *ib.* 1058. 1061, 1062. 1084——Reference to the dispute in Liverpool upon the question of the use of the tramway by omnibuses, without flange wheels, but with wheels specially constructed, *ib.* 1058–1060. 1065–1073.

See also *Competition. Liverpool. Public Use of Tramways.*

P.

Parliamentary Jurisdiction. Main object of witness's appearance before the Committee to represent that his clients shall have an ultimate appeal to Parliament, *Coates* 152–168——Contemplated jurisdiction of a Committee of the House of Commons, in cases where the local bodies do not consent, *Morris* 955–960.—— *See* also *Provisional Orders.*

Part, John. (Analysis of his Evidence.)—Representation by witness of large coal and iron interests in Lancashire and Cheshire, 186–188——Suggested alteration of Clause 5, by providing that the purchaser of a tramway shall be subject to the same restrictions and obligations as the original promoters, 189——Expediency of the tramways being as far as possible open to the use of the public, after the promoters have been reimbursed their capital and interest, 190——Amendment proposed as regards the power of leasing being for a limited term, 190, 191.

Great advantage of tramways being kept in the hands of the local or public authorities; approval hereon of a removal of Clause 5, giving the power of sale, 192–210. 239——Approval of private parties being empowered to obtain concessions for tramways, and being permitted to sell to the local authorities, 204. 211.

Evidence strongly opposed to the Bill in so far as it provides for an exclusive use of the tramway for any particular kind of traffic, 212 *et seq.*——Great inconvenience which might arise as regards coal traffic and other heavy traffic in Lancashire, &c., if not entitled to the use of the tramways, 213 *et seq.*——Conclusions as to its being feasible that both heavy and light traffic may use the same tramway, 216–235——Suggested power in the Board of Trade, or the local authority, to regulate what classes of traffic should use each tramway, 217, 218. 232. 236–238. 243.

Proposed alteration of Clause 7, with a view to a lease of any tramway being confined to a lease of the tolls, 246–249——Circumstance of all kinds of traffic being, as a rule, admitted on canals, 250–252. 259——Practical monopoly of traffic in the case of railways, 253–255——Suggestion, providing for the insertion, in every lease of a tramway, of a condition of re-entry, 255.

Alteration suggested in Clause 24, in order to secure the tramway for the use of the public, on the payment of tolls and the observance of bye-laws, 256–260——Additional clause proposed on the subject of branch tramways or sidings, with a view to facilitating the public use of the main tramways, 261–265——Suggested clauses for making it obligatory to render an account, 266–267——Amendment proposed in Clause 33 upon the subject of the tramway and the road connected with it being kept in good order, 268.

Suggested alterations in Clause 36, with a view to there being a publication and notice of

Report, 1870—*continued.*

Part, John. (Analysis of his Evidence)—*continued.*

of the bye-laws, 269, 270——Proposed amendment in order to prevent the promoters of tramways having power, without the express authority of Parliament, to lower the headway of a bridge over a navigation, or to diminish the waterway, 271——Statement in support of a clause protecting the owners or occupiers of mines from making compensation in respect of damage to tramways through the working of such mines, 272-287——Explanation of a proposed alteration in Clause 51A, for the protection of tramways already made with the sanction of the road trustees, 288, 289.

Paving. Proposed alteration in Clause 19, so that it may not be compulsory in all cases to pave the road, *Morris* 1055–1057——Important advantage to some of the local authorities or parishes in London through the arrangements under the Act of last year as to the expense of paving; question hereon whether a limitation of dividend would not be desirable under certain conditions, *ib.* 1170-1201——Objection to compulsory paving where the gradients are steep, *Boothroyd* 1343–1345.

Petitions. List of petitions against the Bill, or for amendments therein *Rep.* iv–vi.

Portsmouth Street Tramway. Witness submits certain clauses on behalf of the Portsmouth Street Tramway Company; these clauses do not affect the Landport Act, *Emmanuel* 1350–1353.

Preliminary Inquiry. Important amendment proposed in Clause 52 upon the subject of the preliminary inquiry made by the Board of Trade, *Coates* 104 *et seq.*——Respects in which enquiries before the Board of Trade are very unsatisfactory; disapproval of their assuming a judicial character, *ib.* 177–184——Suggested amendment of Clause 53 as to the persons to be heard before the referee, *ib.* 794, 795.

Grounds for objecting to the system of a referee, or of a preliminary inquiry, subject to appeal to both Houses of Parliament; great expense apprehended fatal to any extensive construction, *Morris* 931–945. 961–965——Advantage of proceeding in contested cases by Private Bill, rather than by preliminary inquiry, subject to appeal; less expense in the former case, *ib.* 937-943. 947. 960, 961.

Resolution of the Committee that local inquiries by the Referee of the Board of Trade be at the discretion of the Board, *Rep.* x.

Private Companies. Advantage of tramways being laid down and maintained by private companies, directly responsible to the local bodies, *Morris* 977–995. 1014–1021.

Provisional Orders. Important amendment proposed in the fourth clause, by striking out the word "certificate," and substituting the words "Provisional Order"; contemplated amendment of the Bill throughout in this respect, *Coates* 22, 23——Further statement in favour of the proposed substitution of the Provisional Order system for the certificate system, *ib.* 77-80. 103. 152–184——Expediency of a right to be heard not only before the referee, but against the Bill for confirming the Provisional Order; approval, however, of opponents being shut out in the latter case unless they had asked to be heard before the referee, *ib.* 117–129.

Proposed substitution of the words "provisional certificate" for the word "certificate," in Clause 8, *Sir J. Heron* 373——New Clause proposed to be substituted for Clause 9 of the Bill, with a view to requiring the provisional certificate to be confirmed by Parliament, *ib.* 375, 376.

Concurrence in the suggestion of Mr. Coates as to turning the certificate into a provisional order, *Morris* 1025.

Disapproval of the suggestion for converting the certificate into a provisional order; suggestions on this point, *Boothroyd* 1346, 1347. 1349.

Resolution agreed to by the Committee, that provisional orders be substituted for certificates, *Rep.* x.

See also *Board of Trade.*

Public Use of Tramways. Contemplated grant of licenses by the local authority relative to the use of the tramways by carriages belonging to any public company; explanation hereon that witness approves of the tramways being thrown open for the use of the public, *Coates* 41–56. 60–64—— Expediency of the tramways being as far as possible open to the use of the public, after the promoters have been reimbursed their capital and interest, *Part* 190——Tramways should be in the position of ordinary turnpike roads, as regards their use for all kinds of traffic, *ib.* 244, 245——Alteration suggested in Clause 24 in order to secure the tramway for the use of the public, on the payment of tolls and the observance of bye-laws, *ib.* 256–260.

Contemplated facility to carriages having ordinary wheels in going along or across the tramway; dipute hereon at Liverpool, *Sir J. Heron* 455–462. 464, 465——Evidence in

Report, 1870—*continued.*

Public Use of Tramways—continued.

favour of its being made clear that all carriages with ordinary wheels may go along the rails, *Rayner* 535–545——Explanation by Sir Joseph Heron that he does not propose to interfere in any way with the rights of the public to pass along tramway roads, *p.* 56.

Facility to the public by the use of the paved road made by the tramway companies, *Morris* 1100–1104.

Purchase Clause. See *Sale or Purchase, &c.*

R.

Railways. On the part of certain railway companies and other petitioners against the Bill, witness has carefully examined the Bill and proposes to introduce important alterations under four distinct heads, *Coates* 1–10——Provision suggested as a supplement to Clause 22, with a view to reasonable satisfaction being given to railway companies where their bridges, &c. are affected by tramway works, *ib.* 87–89——Proposed insertion of a proviso in the case of Clause 31, in order that railway companies in any place may be on terms of equality as regards the use of any tramway, *ib.* 89–100——Claim of railway companies to be heard before the referee upon the question of unfair competition or of interference with access to stations; proviso suggested hereon, *ib.* 105–116——Suggestion that railway companies be exempted from paying more than one-fourth of the rate for the purposes of tramways; similar exemption under the Board of Health Acts, *ib.* 143–149.

Ratepayers. Grounds for recommending that the consent of the ratepayers should not be necessary before application is made for a certificate, in the case of corporations and local district boards, *Sir J. Heron* 315, 316. 342–355. 427.

Resolution agreed to by the Committee, that the consent of ratepayers be not required in boroughs governed by a municipal council, *Rep.* x.

Rating of Tramways. Approval of a certain suggestion for a limitation of rating, *Morris* 1149, 1150——Material benefit of tramways as tending to diminish the local rates for the repair of the roads, *ib.* 1162–1178.

Objection to the proposed introduction of a clause on the subject of non-payment of full rates; expediency of its being clearly stated that the tramways shall be liable to all rates, *Sir J. Heron* 469–476. 488.

Rayner, Joseph. (Analysis of his Evidence.)—Is Town Clerk of Liverpool, 502——Opinion of Liverpool and some other corporations, as regards the consent of local boards, that two-thirds of the members should be present, 503, 504——Amended clause proposed by Liverpool and other towns with reference to the making of regulations or bye-laws by the road authorities, 504——Powers of the Liverpool Corporation under the Liverpool Tramway Act, on the subject of bye-laws; necessity for these powers, 505–508.

Reference to Clause 72 of the Liverpool Act, and to the power therein of the corporation to take up the tramways within five years, under certain conditions, 510——Clause 75 of the Liverpool Act adverted to, as showing that the present Bill would override the Act, 511——Particulars as to the powers of the corporation in regard to purchase of the tramways within eleven years, 512–516.

Approval by the Liverpool Corporation of the provisions of the Bill, which makes the consent of the local authority a condition precedent to the laying down of tramways, 516——Difference of opinion between Liverpool and Manchester in regard to consents being dispensed with, 517–519.

Letter recently received by witness from the solicitors of the Liverpool Tramway Company upon the question of opposition to the Street Tramways Bill, 520, 521——Particulars relative to the construction of the Liverpool tramway, the width of gauge, form of rail, &c., 522–531. 565–568——Risk of injury to carriages, through the wheels being wrenched by the groove of the tramway, 532. 563, 564. 569–572——Belief as to the liability of the Company to make good all damage to carriages and horses, 533.

Suit now pending in Chancery upon the question whether carriages at Liverpool with ordinary wheels, may travel along the rails, 534——Evidence in favour of its being made clear that all carriages with ordinary wheels may go along the rails, 535–545——Advantage of the principle of a flange-wheel, together with arrangements for keeping waggons with heavy traffic out of the way, 544–550.

Opinion as to the reasonable character of the arrangement at Liverpool, whereby the tramway company is bound to repair the road for eighteen inches on either side of the tramway, 551, 552——Considerations as to the best mode of providing for the repair of the roadway, including the portion occupied by the tramway, 553–562——Use of four-wheeled

Report, 1870—*continued.*

Rayner, Joseph. (Analysis of his Evidence)—*continued.*

wheeled carriages with three horses, by the Liverpool Company, 566-568. 573, 574—— Dissatisfaction at Liverpool on the part of owners of private carriages, these avoiding the tramway route as much as possible, 569-572.

[Second Examination.] Corrected letter submitted on the part of the Liverpool Tramway Company, in lieu of that previously delivered in by witness, 914.

Referees. Exception taken to referees as the persons who virtually decide under the certificate system, they not being persons of eminence, *Coates* 155. 177.

See also *Arbitration.* *Preliminary Inquiry.*

Removal of Tramways. Clause proposed, enabling the road authority to get rid of the tramway, if after three years they are found to be an absolute nuisance, *Sir J. Heron* 466-469.

Resolution of the Committee that power be given to local authorities to remove tramways found injurious or disused, *Rep.* xi.

Road Trustees. Witness who represents a large extent of turnpike-road trusts in Renfrewshire, submits that the road trustees are the proper persons to make the tramways, and that their consent should in any case be necessary, *Hoggan* 650 *et seq.*——Statement to the effect that the road trusts represented by witness, prefer that the mode of proceeding should be by Private Bill, if it be decided that their consent should not be necessary in the first instance, *ib.* 716-741——Approval of tramways by the road trustees, provided they are the parties to make them, *ib.* 757-759.

Clause suggested, enabling applications to be entertained, if a certain majority of the road trustees are consenting, *Boothroyd* 1305-1308. 1327, 1328.

See also *Glasgow.* *Local Authorities.* *Scotland.* *Way-leave.*

Roads, Repair of. Grounds for the suggestion that where tramways are laid down upon macadamised roads, the promoters should be liable for the expense of paving the roads three feet on each side, instead of eighteen inches, as at Liverpool, *Vaughan* 294-314.

Evidence in favour of the local authorities and the Board of Trade settling the question of the repair of the road, and the difficulties likely to arise through the tramway promoters maintaining one part of the road, and the road authority the other part; great advantage of some arrangement by which the repair of the whole road was borne by one party, *Sir J. Heron* 387-408—— Suggestion, that for six months after laying the tramway, the promoters should keep the whole of the road in repair, *ib.* 387-390—— Objection to the road authority, at the expense of the promoters, keeping the whole of the road in repair, *ib.* 391. 406—— Statement as to the extent of responsibility in the road authority, under the Bill, to see that the portion of the road occupied by the tramway is properly repaired, *ib.* 392-405.

Opinion as to the reasonable character of the arrangement at Liverpool, whereby the tramway company is bound to repair the road for eighteen inches on either side of the tramway, *Rayner* 551, 552—— Considerations as to the best mode of providing for the repair of the roadway, including the portion occupied by the tramway, *ib.* 553-562—— Approval by the road authorities of Glasgow of the provision as to the tramway companies maintaining the road within the rails, and for eighteen inches outside, *Monro* 612, 613. 645-649—— Suggested clause requiring the promoters of a tramway to take it up and relay it at their own expense, when it is necessary to alter the line or level of the road, *Hoggan* 768, 769.

Approval of agreements whereby the tramway companies should repair the whole of road, *Morris* 966-998—— Suggested clause empowering the road authorities to make contracts for repairs, *ib.* 1054—— Opinion as to the fairness of the proposal to repair for eighteen inches on each side of the tramway, *ib.* 1243-1245—— Sufficiency of a margin of eighteen inches outside the rails, as the extent of road to be repaired by the tramway company, *Hopkins* 1281.

See also *Paving.*

Rules and Regulations. Alteration proposed in the third clause to the effect that the Board of Trade, before proceeding with the Bill, shall make the rules and regulations, and that these shall form part of the Act, or be scheduled to it. *Coates* 11-19. 57-59—— Explanation as to witness not proposing any schedule of regulations in lieu of clause 53, which he proposes to strike out, *ib.* 14. 57-59. 150-152—— Objection to any discretionary power in the Board to make additional regulations which go to the rights of parties, *ib.* 20, 21—— Amendments suggested in Clause 8 as regards the large discretion proposed in the Bill to be given to the Board of Trade in respect of rules and regulations, *ib.* 71-76.—— *See* also *Bye-laws.*

Report, 1870—*continued.*

S.

St. James's Parish. Resolution of St. James's parish in favour of the Metropolitan Board as the body to control the laying out and construction of tramways in the metropolis; exceptional character of this approval, *Greenwell* 877. 898, 899.

Sale or Purchase of Tramways. Very mischievious effect apprehended if the fifth clause, conveying powers of sale, be passed; grounds for recommending the total removal of this clause, *Coates* 22–33. 185——Aggravation of the evil of the proposed right of sale, by the condition that the Board of Trade shall consent, *ib.* 23–28. 102,103.

Suggested alteration of clause 5, by providing that the purchaser of a tramway shall be subject to the same restrictions and objections as the original promoters, *Part* 189——Great advantage of tramways being kept in the hands of the local or public authorities; approval hereon of a removal of clause 5, giving the powers of sale, *ib.* 192–210. 239——Approval of private parties being empowered to obtain concessions for tramways, and being permitted to sell to the local authorities, *ib.* 204–211.

Proposed alteration of clause 5, by withdrawing from promoters, other than the local authority, the power of disposing of the certificate: power of such promoters to sell to the local authority, *Sir J. Heron* 316, 317——Evidence in support of the conclusion that the local authorities should have power, with the consent of the Board of Trade, to sell the concession for making and working the tramways to private companies or other parties, *ib.* 316–367——Doubt as to the necessity of any check, on the part of the rate-payers, to the sale or transfer of the concession to a private company, *ib.* 324–330. 342–355. 427——Opinion that a power of sale by private promoters would lead to jobbery, *ib.* 364–367.

Explanation relative to the amendments proposed in clause 33 relative to the purchase of tramways from promoters or companies, and the principle of valuation, *Sir J. Heron* 427–450——Suggestion for making it perfectly clear that goodwill is excluded from the valuation, *ib.* 427–430——Objection to a power of sale in the local authorities, though they should have a power of leasing, or of working the tramways themselves, *Monro* 591–596. 601, 602.

Proposed omission of clause 5, witness strongly objecting to the local authority selling the concession for a tramway, *Morris* 1026–1032——Evidence in favour of altering the purchase clause in the Bill by a substitution of the Liverpool purchase clause, and by adopting twenty-one years as the term within which the local authority may purchase, *ib.* 1111–1135——Proposal in regard to thirty per cent. upon the value of the tramway being paid for good-will, *ib.* 1112, 1113. 1118–1120. 1125——Necessity of the rolling stock, &c. being purchased if the tramway be purchased *ib.* 1115–1117. 1121–1124.

Resolution of the Committee that the clause conferring powers of sale upon promoters be omitted, *Rep.* xi.

Salford Tramway. See *Manchester and Salford.*

Scotland. Majority of the Royal burghs in which the road trustees still exact tolls; varying arrangements where the tolls have been abolished, and the debts not paid off, *Monro* 637–640——Improbability of any other places in Scotland besides Glasgow, Edinburgh, and Dundee, being affected by the proposed Tramway Act, *ib.* 640–644.

Large representation of the municipal bodies on the road trusts in Scotland, *Hoggan* 654, 655——Considerable debt upon many of the roads, steps being, however, constantly taken both to reduce the tolls, and pay off the debts, *ib.* 656–665——Hesitation hitherto on the part of the road trustees to lay down tramways, on account of the difficulty as to the form of rail, &c.; belief that the Act of 1861 would now be soon put in operation, *ib.* 666. 767, 768.

Evidence in support of the conclusion that the road trustees in Scotland are the proper authorities to have power to lay down tramways; circumstance of this power belonging to them exclusively under the Act of 1861, *Hoggan* 667 *et seq.*——Suggested amendment of the Act of 1861, by empowering the road trustees, and also the local authorities to lease to other parties, *ib.* 687–692——Proposition, on the part of the road trustees in Scotland, for a continuance of the powers under the Act of 1861, conjointly with the adoption of certain clauses in the present Bill, *ib.* 689–699——Necessary reduction of tolls by the trustees, after being enabled by the receipts from tramways to pay off the debt, *ib.* 702–704——Explanation of the division of roads in Scotland into statute labour roads and turnpike roads, *ib.* 744–749.

Resolution of the Committee that the Bill be extended to Scotland, *Rep.* xi.

See also *Glasgow.*

Report, 1870—*continued.*

Shoolbred, Messrs. On the part of Messrs. Shoolbred and certain petitioners in Oxford-street, witness submits that certain protective amendments are required for those having frontages in the streets, *Coates* 794 *et seq.*——*See* also *Shops* (*Street Frontages*).

Shops (*Street Frontages*). Expediency of a right in owners or occupiers of shops and warehouses to be heard before the referee, *Coates* 116——Evidence in support of protective clauses suggested on the part of shopkeepers in Oxford-street, *ib.* 794 *et seq.*——Proposition that two-thirds of the owners and two-thirds of the occupiers in a street where a tramway is proposed, shall be consenting parties, *ib.* 795–797. 803–806. 813, 814. 831–837. 859–867.

Conclusion that shopkeepers, as in Oxford-street, should have a claim to compensation for injury, or loss of custom, caused during the construction of the tramway, *Coates* 798–806——Statement in support of claims to compensation if injury or loss of trade can be proved to have resulted from the operation of the tramway, and the obstruction of the traffic to and from the shops, *ib.* 807–830. 838–858.

Resolution of the Committee that a *locus standi* be reserved for the owners and occupiers of property fronting a street or road through which it is proposed to construct a tramway, to appear both before the referee and afterwards before Parliament, *Rep.* xi.

Staffordshire Potteries Street Railway. This tramway, which runs between Burslem and Hanley, and carries a large number of passengers, was laid down merely under the sanction of the turnpike trustees, *Boothroyd* 1299–1304. 1308–1311——Form of rail used; exceptional instance of complaint, *ib.* 1312–1323——Unduly large cost of the tramway; it has not been profitable, *ib.* 1324. 1336, 1337——Suggestion with a view to the tramway coming under the sanction of the present Bill, *ib.* 1327, 1328. 1339——Arrangement as to the payment of tolls to the road trustees, *ib.* 1340–1342. 1349——Difficulty between witness's company and the local authority respecting the paving of the road, *ib.* 1348.

Suspension of Working. Necessary interruption to the working of tramways, without compensation, when bridges have to be repaired, or pipes in the road have to be dealt with, *Sir J. Heron* 374, 375——Extensive power of vestries in stopping roads, &c., without the tramway companies having any claim for suspension of business, *Morris* 1231–1237.

T.

Through Working. Suggested alteration of Clause 31, so as to enable adjoining companies, with the consent of the Board of Trade, to make contracts for through working, *Morris* 1106–1110.

Tolls. Necessity of amendment of the clause relating to licenses, the tolls proposed being altogether prohibitory; the tolls should, in fact, be left to the Board of Trade to determine, *Sir J. Heron* 424–426——Proposal for placing a list of the tolls and charges inside each carriage, *ib.* 451, 452.

Explanation as to the arrangement proposed on the subject of the fares, and as to the regulations on this point in the Act of last Session, *Morris* 1126–1132. 1179–1230. 1238–1242. 1249–1257——Proposal that the fares shall not exceed a penny a mile, or for any distance under three miles, three-pence, *ib.* 1227–1230. 1238–1242——Absence of power in the general public to use the tramways upon paying tolls, *ib.* 1258——Clause proposed on the subject of compounding for tolls, *Boothroyd* 1345, 1346.

Resolution of the Committee that the maximum tolls be inserted in the Provisional Orders, *Rep.* xi.

Town Councils. See *Local Authority.*

Traffic. Witness very much doubts whether tramways can be worked at all in crowded towns, except for heavy traffic, *Coates* 52——Conclusions as to its being feasible for both heavy and light traffic to use the same tramway, *Part* 216–235——Suggested power in the Board of Trade, or the local authority, to regulate what classes of traffic should use each tramway, *ib.* 217, 218. 232. 236–238. 243——Contemplated payment of tolls by heavy traffic, if entitled to use the tramways, *ib.* 229. 240.

Proposition, on the assumption that the Bill contemplates omnibus tramways only, for excluding heavy traffic; belief as to its being impracticable to convey passenger traffic and goods traffic on the same line, *Sir J. Heron* 409–423——Objection to tramways interfering with the ordinary traffic, *Hoggan* 760–761——Impracticability of combining heavy mineral traffic with omnibus traffic, *ib.* 764–766.

Resolution of the Committee that the Provisional Orders shall specify the nature of traffic for which the tramways are sanctioned, *Rep.* xi.

See also *Coal and Iron Traffic. Goods Traffic.*

Report, 1870—*continued.*

Train, Mr. Disadvantage in the case of Mr. Train's tramway, through the repairs of the road resting with the parish, *Morris* 1014, 1015.

Turnpike Roads. See *Way-leave.*

U.

Uniform Gauge. See *Gauge.*

V.

Vaughan, John Lingard. (Analysis of his Evidence.)—Has inspected the tramway at Liverpool, and supplies particulars relative to the injury to the road at each side of the tramway, such injury reaching much further than eighteen inches on each side, 290–314 ——Suggests that where tramways are laid down upon macadamised roads, the promoters should be liable for paving the roads three feet on each side, 313.

W.

Way-leave (*Turnpike Roads*). Statement in explanation and support of a clause empowering the road trustees to levy tolls or way-leave, when a tramway is laid on a turnpike road, *Hoggan* 770–793.

Widening of Roads. Suggested alteration of Clause 49, by empowering the road authority to alter the position of the tramway when necessary for the widening of the road, *Sir J. Heron* 464——Expediency of a power of deviation of the line of tramway in the event of the road being widened, *Monro* 617, 618.

Width of Carriages. Proposed limitation of the width of the tramway carriages to seven feet, *Morris* 1147. 1148.

INDEX

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